

STATE OF MONTANA

# Comprehensive Annual Financial Report



FOR THE FISCAL YEAR ENDED JUNE 30, 2001

**MONTANA  
COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Fiscal Year Ended June 30, 2001

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**STATE OF MONTANA**  
**SELECTED STATE OFFICIALS**

**EXECUTIVE**

Judy Martz

Governor

Karl Ohs

Lieutenant Governor

**JUDICIAL**

Karla Gray

Chief Justice

**LEGISLATIVE**

Tom Beck

President of the Senate

Dan McGee

Speaker of the House

**STATE OF MONTANA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FISCAL YEAR ENDED JUNE 30, 2001**

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## Combining, Individual Fund and Account Group Statements/Schedules

The financial statements that follow provide detailed information on the financial position and results of operations, by fund, for each fund type. Budget basis schedules provide comparisons of the legally established budget with actual data on the budgetary basis for expenditures/expenses and transfers out. These schedules were compiled from the Statewide Accounting, Budgeting, and Human Resource System (SABHRS).

Fish stocking photo courtesy of Montana Fish, Wildlife & Parks



Despite tough economic times and budget cuts brought on by the Great Depression, Montana Fish, Wildlife & Parks continued stocking fish throughout the 1930s. Above, a pack string heads for the high mountains with a cargo of milk cans filled with trout fingerlings. At right, Shell Oil Company pilot Herman Hendrickson readies his plane for takeoff in an early fish planting experiment.



Fish stocking photo courtesy of Buffalo Bill Historical Center; Cody WY



*Montana Fish,  
Wildlife & Parks*



# SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. A brief description of each Special Revenue Fund follows:

**State** - This fund accounts for money from State and other sources that are earmarked for the purpose of defraying particular costs of an agency, program or function.

**Federal** - This fund accounts for money from federal sources used for the operation of State government.

**STATE OF MONTANA  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS**

June 30, 2001

(Expressed in Thousands)

	State	Federal	Total
<b>Assets:</b>			
Cash/Cash Equivalents	\$ 208,695	\$ 44,411	\$ 253,106
Receivables (Net)	70,023	6,687	76,710
Interfund Loans Receivable	24,702	205	24,907
Due from Other Governments	4,887	118,043	122,930
Due from Component Units	246	27	273
Due from Other Funds	6,838	3,546	10,384
Inventories	22,816	4,796	27,612
Long-Term Notes/Loans Receivable	104,293	1,039	105,332
Advances to Other Funds	223	300	523
Equity in Pooled Investments	143,148	-	143,148
Investments	100,445	7,270	107,715
Securities Lending Collateral	16,230	182	16,412
Other Assets	980	617	1,597
<b>Total Assets</b>	<b>\$ 703,526</b>	<b>\$ 187,123</b>	<b>\$ 890,649</b>
<b>Liabilities/Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 62,844	\$ 60,191	\$ 123,035
Interfund Loans Payable	10,598	68,413	79,011
Advances from Other Funds	1,862	428	2,290
Due to Other Governments	726	3,479	4,205
Due to Component Units	1,580	1,414	2,994
Due to Other Funds	19,135	10,604	29,739
Deferred Revenue	23,782	9,399	33,181
Property Held in Trust	2,518	523	3,041
Securities Lending Liability	16,230	182	16,412
Other Liabilities	62	-	62
<b>Total Liabilities</b>	<b>139,337</b>	<b>154,633</b>	<b>293,970</b>
<b>Fund Balances:</b>			
<b>Reserved for:</b>			
Encumbrances	25,351	14,632	39,983
Inventories	22,816	-	22,816
Long-Term Loans	104,293	1,039	105,332
Long-Term Advances	223	300	523
Trusts	-	6,552	6,552
<b>Unreserved:</b>			
Designated	275	-	275
Undesignated	411,231	9,967	421,198
<b>Total Fund Balances</b>	<b>564,189</b>	<b>32,490</b>	<b>596,679</b>
<b>Total Liabilities/Fund Balances</b>	<b>\$ 703,526</b>	<b>\$ 187,123</b>	<b>\$ 890,649</b>

**STATE OF MONTANA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	State	Federal	Total
<b>Revenues:</b>			
Licenses/Permits	\$ 97,922	\$ -	\$ 97,922
Taxes:			
Natural Resource	76,510	-	76,510
Corporate Income	100	-	100
Property	7,237	-	7,237
Fuel	183,600	-	183,600
Other	62,718	-	62,718
Charges for Services/Fines/Forfeits	90,670	30,613	121,283
Investment Earnings	33,596	1,923	35,519
Securities Lending Income	1,173	37	1,210
Sale of Documents/Merchandise/Property	4,521	3	4,524
Rentals/Leases/Royalties	514	-	514
Contributions/Premiums	6,142	-	6,142
Grants/Contracts/Donations	15,074	113	15,187
Federal	2,996	1,168,085	1,171,081
Federal Indirect Cost Recoveries	2	1,867	1,869
Other Revenues	1,793	99	1,892
<b>Total Revenues</b>	<b>584,568</b>	<b>1,202,740</b>	<b>1,787,308</b>
Intrafund Revenues	(753)	(1,536)	(2,289)
<b>Net Revenues</b>	<b>583,815</b>	<b>1,201,204</b>	<b>1,785,019</b>
<b>Expenditures:</b>			
Current:			
General Government	92,378	3,555	95,933
Public Safety/Corrections	58,129	28,594	86,723
Transportation	162,385	254,047	416,432
Health/Social Services	79,308	658,516	737,824
Education/Cultural	6,556	118,942	125,498
Resource Development/Recreation	56,451	16,458	72,909
Economic Development/Assistance	36,824	75,012	111,836
Debt Service:			
Principal Retirement	1,323	151	1,474
Interest/Fiscal Charges	654	26	680
Capital Outlay	29,675	16,480	46,155
Securities Lending	1,140	34	1,174
<b>Total Expenditures</b>	<b>524,823</b>	<b>1,171,815</b>	<b>1,696,638</b>
Intrafund Expenditures	(753)	(1,536)	(2,289)
<b>Net Expenditures</b>	<b>524,070</b>	<b>1,170,279</b>	<b>1,694,349</b>
Excess of Revenues Over (Under) Expenditures	59,745	30,925	90,670
<b>Other Financing Sources (Uses):</b>			
Loan Proceeds	1,202	-	1,202
Bond Proceeds	13,644	-	13,644
Inception of Lease/Installment Contract	25	103	128
General Fixed Asset Sale Proceeds	103	113	216
Operating Transfers In	44,584	2,175	46,759
Transfers from Component Units	115	-	115
Operating Transfers Out	(32,354)	(45,607)	(77,961)
Transfers to Component Units	(17,148)	-	(17,148)
<b>Total Other Financing Sources (Uses)</b>	<b>10,171</b>	<b>(43,216)</b>	<b>(33,045)</b>
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	69,916	(12,291)	57,625
Fund Balances - July 1 - As Previously Reported	500,670	31,582	532,252
Prior Period Adjustments	2,255	13,199	15,454
Fund Balances - July 1 - As Restated	502,925	44,781	547,706
Increase (Decrease) in Inventories	(439)	-	(439)
Residual Equity Transfers	(8,213)	-	(8,213)
Fund Balances - June 30	\$ 564,189	\$ 32,490	\$ 596,679

**STATE OF MONTANA**  
**SCHEDULE OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)**  
**BUDGET AND ACTUAL WITH RECONCILIATION OF UNRESERVED FUND BALANCE PER THE**  
**STATEWIDE BUDGETING AND ACCOUNTING SYSTEM (SABHRS) TO BUDGET BASIS STATEMENT IN THE GPFS**  
**SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	State Special Revenue Fund			Federal Special Revenue Fund			Total Year Ended June 30		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues:</b>									
Licenses/Permits	\$ 97,652	\$ 97,687	\$ 35	\$ -	\$ -	\$ -	\$ 97,652	\$ 97,687	\$ 35
Taxes:									
Natural Resource	22,273	71,756	49,483	-	-	-	22,273	71,756	49,483
Corporate Income	8,803	-	(8,803)	-	-	-	8,803	-	(8,803)
Property	8,535	7,237	(1,298)	-	-	-	8,535	7,237	(1,298)
Fuel	185,770	183,263	(2,507)	-	-	-	185,770	183,263	(2,507)
Other	64,681	64,298	(383)	-	2	2	64,681	64,300	(381)
Charges for Services/Fines/Forfeits	69,601	62,302	(7,299)	25,267	30,411	5,144	94,868	92,713	(2,155)
Investment Earnings	3,250	6,990	3,740	2,913	1,923	(990)	6,163	8,913	2,750
Sale of Documents/Merchandise/Property	4,994	4,301	(693)	-	-	-	4,994	4,301	(693)
Rentals/Leases/Royalties	261	496	235	-	-	-	261	496	235
Contributions/Premiums	9,548	6,151	(3,397)	-	-	-	9,548	6,151	(3,397)
Grants/Contracts/Donations	14,195	11,209	(2,986)	1,660	57	(1,603)	15,855	11,266	(4,589)
Federal	3,789	2,950	(839)	1,106,694	1,097,031	(9,663)	1,110,483	1,099,981	(10,502)
Federal Indirect Cost Recoveries	30	2	(28)	1,511	1,870	359	1,541	1,872	331
Other Revenues	1,453	1,603	150	900	4	(896)	2,353	1,607	(746)
<b>Total Revenues</b>	<b>494,835</b>	<b>520,245</b>	<b>25,410</b>	<b>1,138,945</b>	<b>1,131,298</b>	<b>(7,647)</b>	<b>1,633,780</b>	<b>1,651,543</b>	<b>17,763</b>
<b>Expenditures:</b>									
Current:									
General Government	108,681	82,221	26,460	4,026	3,576	450	112,707	85,797	26,910
Public Safety/Corrections	70,957	58,643	12,314	66,782	28,724	38,058	137,739	87,367	50,372
Transportation	180,835	159,951	20,884	280,384	253,756	26,628	461,219	413,707	47,512
Health/Social Services	123,795	69,065	54,730	647,468	603,402	44,066	771,263	672,467	98,796
Education/Cultural	6,996	5,904	1,092	137,599	118,850	18,749	144,595	124,754	19,841
Resource Development/Recreation	86,241	58,872	27,369	33,888	14,998	18,890	120,129	73,870	46,259
Economic Development/Assistance	50,552	40,940	9,612	97,610	74,428	23,182	148,162	115,368	32,794
Debt Service:									
Principal Retirement	1,374	1,276	98	(9)	124	(133)	1,365	1,400	(35)
Interest/Fiscal Charges	653	653	-	-	24	(24)	653	677	(24)
Capital Outlay	30,303	24,288	6,015	5,824	16,225	(10,401)	36,127	40,513	(4,386)
<b>Total Expenditures</b>	<b>660,387</b>	<b>501,813</b>	<b>158,574</b>	<b>1,273,572</b>	<b>1,114,107</b>	<b>159,465</b>	<b>1,933,959</b>	<b>1,615,920</b>	<b>318,039</b>
Excess of Revenue Over (Under) Expenditures	(165,552)	18,432	183,984	(134,627)	17,191	151,818	(300,179)	35,623	335,802
<b>Other Financing Sources (Uses):</b>									
Loan Proceeds	1,023	1,202	179	75	-	(75)	1,098	1,202	104
Bond Proceeds	10,299	13,635	3,336	-	-	-	10,299	13,635	3,336
General Fixed Asset Sale Proceeds	48	102	54	4	4	-	52	106	54
Operating Transfers In	26,472	44,265	17,793	37,100	5,243	(31,857)	63,572	49,508	(14,064)
Operating Transfers Out	(10,450)	(12,451)	(2,001)	(86,642)	(34,535)	52,107	(97,092)	(46,986)	50,106
Transfers from Component Units	(115)	115	230	-	-	-	(115)	115	230
Transfers to Component Units	(17,148)	(17,148)	-	-	-	-	(17,148)	(17,148)	-
<b>Total Other Financing Sources (Uses)</b>	<b>10,129</b>	<b>29,720</b>	<b>19,591</b>	<b>(49,463)</b>	<b>(29,288)</b>	<b>20,175</b>	<b>(39,334)</b>	<b>432</b>	<b>39,766</b>
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (Budgetary Basis)	(155,423)	48,152	203,575	(184,090)	(12,097)	171,993	(339,513)	36,055	375,568
<b>Reconciliation of Budgetary/GAAP Reporting:</b>									
1. Adjust Expenditures for Encumbrances.	-	(97)	(97)	-	(3,792)	(3,792)	-	(3,889)	(3,889)
2. Adjustments for Nonbudgeted Activity	-	21,828	21,828	-	3,595	3,595	-	25,423	25,423
3. Intrafund Elimination - Revenues/Trans In	-	(753)	(753)	-	(1,536)	(1,536)	-	(2,289)	(2,289)
4. Intrafund Elimination - Expenditures/Trans Out	-	753	753	-	1,536	1,536	-	2,289	2,289
5. Securities Lending Income	-	1,173	1,173	-	37	37	-	1,210	1,210
6. Securities Lending Costs	-	(1,140)	(1,140)	-	(34)	(34)	-	(1,174)	(1,174)
Excess Of Revenues/Other Sources Over (Under) Expenditures/Other Uses (GAAP Basis)	(155,423)	69,916	225,339	(184,090)	(12,291)	171,799	(339,513)	57,625	397,138
Unreserved Fund Balances - July 1	372,448	372,448	-	8,559	8,559	-	381,007	381,007	-
Residual Equity Transfers	-	(8,213)	(8,213)	-	-	-	-	(8,213)	(8,213)
Prior Period Adjustments	-	751	751	-	13,200	13,200	-	13,951	13,951
Decrease (Increase):									
Encumbrances Reserve	-	241	241	-	1,104	1,104	-	1,345	1,345
Advances to Other Funds Reserve	-	392	392	-	(800)	(800)	-	(408)	(408)
Long-Term Loans Reserve	-	(24,051)	(24,051)	-	(374)	(374)	-	(24,425)	(24,425)
Trusts/Endowments/Fed Loans Reserve	-	-	-	-	70	70	-	70	70
Unreserved Fund Balances - June 30	\$ 217,025	\$ 411,484	\$ 194,459	\$ (175,531)	\$ 9,468	\$ 184,999	\$ 41,494	\$ 420,952	\$ 379,458

# DEBT SERVICE FUNDS

**Debt Service Funds** are used to account for the accumulation of resources for the payment of general long-term obligation principal and interest. A brief description of each Debt Service Fund follows:

**Coal Tax Bonds** - Moneys in this fund are pledged for the payment of principal and interest on all State of Montana coal severance tax bonds.

**Long-Range Building Program** - This fund accounts for the payment of all long-range building program bonds and interest.

**Water Development** - This fund accounts for coal severance taxes pledged to retire bonds sold to make loans/grants for water development projects and activities, as prioritized by the Legislature.

**Highway Revenue Bonds** - This fund accounts for gasoline taxes pledged for payment of principal and interest on bonds issued for the purpose of constructing highways in Montana.

**Health Care Debt Service** - This fund accounts for funds from services provided to patients at the Montana Developmental Center and Montana State Hospital to pay off bonds issued by the Montana Health Facility.

**Information Technology (IT) Bonds** - This fund accounts for the accumulation and payment of resources for information technology bond debt service requirements.

**Renewable Resource** - This fund accounts for coal severance taxes pledged to retire bonds that were sold to provide funds to finance renewable resource projects.

**Water Conservation Bonds** - This fund accounts for water conservation bonds issued for four projects: Sidney, Little Dry, South Side Canal and Petrolia.

**Energy Bonds** - This fund accounts for General Obligation bonds issued for State Building Energy Conservation Projects.

**STATE OF MONTANA**  
**COMBINING BALANCE SHEET**  
**DEBT SERVICE FUNDS**  
June 30, 2001  
(Expressed in Thousands)

	Coal Tax Bonds	Long-Range Building Program	Water Development	Highway Revenue Bonds
<b>Assets:</b>				
Cash/Cash Equivalents	\$ 8,747	\$ 3,069	\$ 2,550	\$ 13,203
Receivables (Net)	351	66	646	47
Long-Term Notes/Loans Receivable	22,440	-	10,439	-
Advances to Other Funds	1,862	-	-	-
Investments	-	-	1,925	-
<b>Total Assets</b>	<b>\$ 33,400</b>	<b>\$ 3,135</b>	<b>\$ 15,560</b>	<b>\$ 13,250</b>
<b>Liabilities/Fund Balances:</b>				
Liabilities:				
Accounts Payable	\$ 2	\$ 9	\$ -	\$ -
Due to Other Funds	8	-	-	-
<b>Total Liabilities</b>	<b>10</b>	<b>9</b>	<b>-</b>	<b>-</b>
Fund Balances:				
Reserved for Long-Term Loans	22,440	-	10,439	-
Reserved for Long-Term Advances	1,862	-	-	-
Reserved for Debt Service	6,248	-	-	-
Unreserved, Designated	2,840	3,126	5,121	13,250
<b>Total Fund Balances</b>	<b>33,390</b>	<b>3,126</b>	<b>15,560</b>	<b>13,250</b>
<b>Total Liabilities/Fund Balances</b>	<b>\$ 33,400</b>	<b>\$ 3,135</b>	<b>\$ 15,560</b>	<b>\$ 13,250</b>

Health Care Debt Service	Information Technology Bonds	Renewable Resource	Water Conservation Bonds	Energy Bonds	Total
\$ 4,149	\$ 341	\$ 122	\$ -	\$ 183	\$ 32,364
-	34	12	-	5	1,161
-	-	-	27	-	32,906
-	-	-	-	-	1,862
-	-	-	-	-	1,925
<u>\$ 4,149</u>	<u>\$ 375</u>	<u>\$ 134</u>	<u>\$ 27</u>	<u>\$ 188</u>	<u>\$ 70,218</u>
\$ -	\$ 1	\$ -	\$ -	\$ 1	\$ 13
-	-	-	-	-	8
-	1	-	-	1	21
-	-	-	27	-	32,906
-	-	-	-	-	1,862
-	-	-	-	-	6,248
4,149	374	134	-	187	29,181
<u>4,149</u>	<u>374</u>	<u>134</u>	<u>27</u>	<u>187</u>	<u>70,197</u>
<u>\$ 4,149</u>	<u>\$ 375</u>	<u>\$ 134</u>	<u>\$ 27</u>	<u>\$ 188</u>	<u>\$ 70,218</u>

**STATE OF MONTANA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**DEBT SERVICE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Coal Tax Bonds	Long-Range Building Program	Water Development	Highway Revenue Bonds
<b>Revenues:</b>				
Taxes:				
Gas/Oil/Coal Production	\$ -	\$ -	\$ 290	\$ -
Charges for Services/Fines/Forfeits	-	(544)	-	-
Investment Earnings	1,674	890	3,044	399
Securities Lending Income	35	6	-	3
Federal	-	11	-	-
Sale of Documents/Merchandise/Property	2,550	-	-	-
<b>Total Revenues</b>	<b>4,259</b>	<b>363</b>	<b>3,334</b>	<b>402</b>
<b>Expenditures:</b>				
General Government	-	3	-	-
Health/Social Services	-	-	-	-
Resource Development/Recreation	40	-	2	-
Principal Retirement	3,218	7,454	1,148	11,885
Interest/Fiscal Charges	3,032	6,788	1,341	1,757
Securities Lending	34	6	-	3
<b>Total Expenditures</b>	<b>6,324</b>	<b>14,251</b>	<b>2,491</b>	<b>13,645</b>
Excess of Revenues Over (Under) Expenditures	(2,065)	(13,888)	843	(13,243)
<b>Other Financing Sources (Uses):</b>				
Bond Proceeds	-	-	7	-
Transfers from Component Units	-	1	-	-
Operating Transfers In	1,294	13,976	4,162	13,584
Operating Transfers Out	(602)	(86)	(2,044)	-
<b>Total Other Financing Sources (Uses)</b>	<b>692</b>	<b>13,891</b>	<b>2,125</b>	<b>13,584</b>
Excess of Revenues/Other Sources Over (Under) Expenditures/ Other Uses	(1,373)	3	2,968	341
Fund Balances - July 1 - As Previously Reported	34,763	3,123	12,592	12,909
<b>Fund Balances - June 30</b>	<b>\$ 33,390</b>	<b>\$ 3,126</b>	<b>\$ 15,560</b>	<b>\$ 13,250</b>



Health Care Debt Service	Information Technology Bonds	Renewable Resource	Water Conservation Bonds	Energy Bonds	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 290
-	-	-	-	877	333
164	865	37	(30)	56	7,099
-	6	-	-	-	50
-	-	-	-	-	11
-	-	-	-	-	2,550
164	871	37	(30)	933	10,333
-	-	-	-	-	3
-	-	-	-	60	60
-	-	-	-	-	42
1,035	6,834	-	1	585	32,160
1,988	2,002	-	1	158	17,067
-	6	-	-	-	49
3,023	8,842	-	2	803	49,381
(2,859)	(7,971)	37	(32)	130	(39,048)
-	-	-	-	-	7
-	281	-	-	-	282
2,709	7,921	-	-	-	43,646
-	-	-	-	-	(2,732)
2,709	8,202	-	-	-	41,203
(150)	231	37	(32)	130	2,155
4,299	143	97	59	57	68,042
\$ 4,149	\$ 374	\$ 134	\$ 27	\$ 187	\$ 70,197

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# CAPITAL PROJECTS FUNDS

**Capital Projects Funds** are used to account for financial resources used for the acquisition or construction of major governmental general fixed assets. A brief description of each Capital Projects Fund follows:

**Long-Range Building Program** - This fund is maintained to account for resources received and expended for the State's long-range building program. The long-range building program includes costs for the acquisition, construction and improvement of major fixed assets financed by general obligation bonds and interest earned on bond proceeds.

**Information Technology (IT) Project** - This fund accounts for resources received and expended for information technology projects for various upgrade and replacement activities.

**Federal/Private Construction Grants** - This fund accounts for federal grants, private donations and federal matching funds that are restricted to general fixed asset construction.

**Capital Land Grant** - This fund accounts for revenues and expenditures from the capital land grant. Revenues are dedicated for the purpose of constructing capital buildings or additions thereto. Revenues may be transferred to a Debt Service Fund for the payment of principal and interest on bonds issued for capital building construction.

STATE OF MONTANA  
 COMBINING BALANCE SHEET  
 CAPITAL PROJECTS FUNDS  
 June 30, 2001  
 (Expressed in Thousands)

	Long-Range Building	Information Technology Projects	Federal/ Private Construction Grants	Capital Land Grant	Total
<b>Assets:</b>					
Cash/Cash Equivalents	\$ 25,965	\$ 9,908	\$ 61	\$ 1,761	\$ 37,695
Receivables (Net)	1,044	-	-	-	1,044
Due from Component Units	2	-	-	-	2
Due from Other Funds	540	-	-	4	544
Other Assets	-	-	-	4	4
Total Assets	\$ 27,551	\$ 9,908	\$ 61	\$ 1,769	\$ 39,289
<b>Liabilities/Fund Balances:</b>					
Liabilities:					
Accounts Payable	\$ 2,112	\$ 308	\$ -	\$ -	\$ 2,420
Due to Component Units	27	-	-	-	27
Due to Other Funds	19	36	-	28	83
Property Held in Trust	191	-	-	-	191
Total Liabilities	2,349	344	-	28	2,721
Fund Balances:					
Reserved for Encumbrances	-	-	-	4	4
Unreserved	25,202	9,564	61	1,737	36,564
Total Fund Balances	25,202	9,564	61	1,741	36,568
Total Liabilities/Fund Balances	\$ 27,551	\$ 9,908	\$ 61	\$ 1,769	\$ 39,289

STATE OF MONTANA  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Long-Range Building	Information Technology Projects	Federal/ Private Construction Grants	Capital Land Grant	Total
<b>Revenues:</b>					
Taxes:					
Natural Resource	\$ 3,667	\$ -	\$ -	\$ -	\$ 3,667
Cigarette/Tobacco	1,831	-	-	-	1,831
Charges for Services/Fines/Forfeits	132	-	-	-	132
Investment Earnings	301	26	-	-	327
Securities Lending Income	2	-	-	-	2
Other Revenues	82	-	-	-	82
<b>Total Revenues</b>	<b>6,015</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>6,041</b>
<b>Expenditures:</b>					
Current:					
General Government	3	7,993	-	-	7,996
Economic Development/Assistance	-	1,070	-	-	1,070
Debt Service Interest/Fiscal Charges	-	21	-	-	21
Capital Outlay	23,164	28	137	918	24,247
Securities Lending	2	-	-	-	2
<b>Total Expenditures</b>	<b>23,169</b>	<b>9,112</b>	<b>137</b>	<b>918</b>	<b>33,336</b>
Excess of Revenues Over (Under) Expenditures	(17,154)	(9,086)	(137)	(918)	(27,295)
<b>Other Financing Sources (Uses):</b>					
Bond Proceeds	11,430	1,600	-	-	13,030
Operating Transfers In	6,991	-	53	2,527	9,571
Operating Transfers Out	(4,208)	(1,357)	-	(500)	(6,065)
<b>Total Other Financing Sources (Uses)</b>	<b>14,213</b>	<b>243</b>	<b>53</b>	<b>2,027</b>	<b>16,536</b>
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	(2,941)	(8,843)	(84)	1,109	(10,759)
Fund Balances - July 1 - As Previously Reported	28,143	18,407	145	632	47,327
Fund Balances - June 30	\$ 25,202	\$ 9,564	\$ 61	\$ 1,741	\$ 36,568

# ENTERPRISE FUNDS

**Enterprise Funds** are used to account for operations that provide goods or services to the public on a user charge basis. A brief description of each Enterprise Fund follows:

**Economic Development Bonds** - This operation is directed by the nine-member Board of Investments, administered by the Department of Commerce. This fund accounts for the Industrial Development Bond (IDB) Program and the Montana Cash Anticipation Program. This program assists Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.

**Liquor Warehouse** - This fund accounts for activities related to the sale and distribution of alcoholic beverages and licensing within the State. Profits and license fees are used to finance General Fund expenditures.

**Hail Insurance** - Any producer engaged in the growing of crops subject to damage by hail may participate in the hail insurance program. This fund accounts for premium assessments paid by producers for crop acreage insured, investment and interest earnings, administrative costs and benefits paid by the Department of Agriculture.

**State Lottery** - This fund accounts for the operations of Montana's lottery.

**Montana State Prison Ranch/Industries, Swan River Vocational Training and Women's Prison Industries** - These operations provide training and employment for inmates. The products produced are sold to State agencies, non-profit organizations and other customers in accordance with State policies.

**Subsequent Injury** - This fund accounts for the assessments collected from employers and benefits paid to workers who are certified as vocationally handicapped and are injured on the job.

**Montana Career Information System (MCIS)** - A private organization that collects and distributes labor market and educational data in software and books to various schools and agencies. The MCIS is funded through a combination of user fees and state grants.

**Secretary of State Business Services** - This fund accounts for the Business and Government Services activities and the Administrative Code Program of the Secretary of State's Office.

**Historical Society Publications** - This fund accounts for the Historical Society's sales from "Montana, The Magazine of Western History", books, publications and merchandise from the Historical Society store.

**Surplus Property** - The Department of Administration accounts for intragovernmental sales of state and federal surplus property to State agencies, local governments and certain other non-profit organizations in this fund.

**West Yellowstone Airport** - This fund, administered by the Department of Transportation, accounts for operations of the airport at West Yellowstone. User airlines are assessed rent and landing fees.

**Judiciary Law Library** - This fund accounts for fees collected for on-line law library references and searches and the related administrative costs.

**Local Government Audits** - This fund accounts for the costs incurred by the Department of Commerce for audits of

local governments required under Section 2-7-501 through 522 of the Montana Code Annotated and the fees assessed the local governments for the audits.

**Flexible Spending Administration** - This fund accounts for the fees collected from the participants in the Flexible Spending programs and the related administrative costs of the plans administered by the Department of Administration and the Office of the Commissioner of Higher Education.

**Department of Agriculture** - This fund accounts for fees collected from persons importing, possessing or controlling alfalfa leaf-cutting bees and the costs incurred in certifying that the bees are disease free, and the application fees from the operations of the Beginning Farm Loan Program.

STATE OF MONTANA  
COMBINING BALANCE SHEET  
ENTERPRISE FUNDS  
June 30, 2001  
(Expressed in Thousands)

	Economic Development Bonds	Liquor Warehouse	Hail Insurance	State Lottery	Prison Ranch	Prison Industries
<b>Assets:</b>						
Cash/Cash Equivalents	\$ 12,261	\$ 761	\$ 5,492	\$ 1,216	\$ 2,105	\$ 411
Receivables (Net)	1,535	10,165	2,543	898	115	167
Due from Other Funds	-	1	-	2	23	113
Due from Component Units	-	1	-	-	-	11
Inventories	-	142	-	1,152	3,310	781
Long-Term Loans/Notes Receivable	56,527	-	-	-	-	-
Advances to Other Funds	-	75	-	-	128	-
Investments	6,563	-	-	-	-	-
Securities Lending Collateral	-	-	-	-	-	-
Land	-	-	-	-	690	-
Buildings/Improvements	-	1,776	-	-	2,702	754
Equipment	6	349	-	4,770	1,631	334
Other Fixed Assets	-	-	-	-	-	-
Construction in Progress	-	-	-	-	15	-
Accumulated Depreciation	(2)	(1,175)	-	(1,515)	(2,464)	(673)
Intangible Assets	-	2	-	785	163	-
Deferred Charges	1,083	-	-	-	-	-
Other Assets	-	-	-	2,277	-	-
<b>Total Assets</b>	<b>\$ 77,973</b>	<b>\$ 12,097</b>	<b>\$ 8,035</b>	<b>\$ 9,585</b>	<b>\$ 8,418</b>	<b>\$ 1,898</b>
<b>Liabilities/Fund Equity:</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 1,188	\$ 3,011	\$ -	\$ 525	\$ 27	\$ 76
Lottery Prizes Payable	-	-	-	3,433	-	-
Interfund Loans Payable	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	130
Due to Other Governments	-	-	51	-	-	-
Due to Component Units	-	-	-	5	-	-
Due to Other Funds	12	5,986	48	1,985	46	62
Deferred Revenue	71	1,302	959	59	1	13
Bonds/Notes Payable (Net)	71,679	-	-	3,167	-	-
Property Held in Trust	99	-	-	-	-	-
Securities Lending Liability	-	-	-	-	-	-
Compensated Absences Payable	38	95	20	173	127	102
Estimated Insurance Claims	-	-	520	-	-	-
Arbitrage Rebate Tax Payable	373	-	-	-	-	-
<b>Total Liabilities</b>	<b>73,460</b>	<b>10,394</b>	<b>1,598</b>	<b>9,347</b>	<b>201</b>	<b>383</b>
<b>Fund Equity:</b>						
Contributed Capital	23	1,915	-	238	21	255
Retained Earnings:						
Unreserved	4,490	(212)	6,437	-	8,196	1,260
<b>Total Fund Equity</b>	<b>4,513</b>	<b>1,703</b>	<b>6,437</b>	<b>238</b>	<b>8,217</b>	<b>1,515</b>
<b>Total Liabilities/Fund Equity</b>	<b>\$ 77,973</b>	<b>\$ 12,097</b>	<b>\$ 8,035</b>	<b>\$ 9,585</b>	<b>\$ 8,418</b>	<b>\$ 1,898</b>



Womens Prison Industries	Subsequent Injury	Montana Career Information System	Secretary of State Business Services	Historical Society Publications	Surplus Property	West Yellowstone Airport
\$ 2	\$ 666	\$ 31	\$ 1,016	\$ 97	\$ 46	\$ 371
-	22	-	2	80	1	-
-	-	-	1	4	21	-
-	-	-	-	-	-	-
-	-	-	16	480	938	-
-	-	-	-	-	3	-
-	-	-	189	-	-	-
-	1,450	-	-	-	-	-
-	468	-	-	-	-	-
-	-	-	-	-	-	110
-	-	-	-	-	130	487
-	-	-	46	17	165	71
-	-	-	-	-	7	1,147
-	-	-	-	-	-	-
-	-	-	(30)	(10)	(115)	(1,373)
-	-	-	785	-	-	-
-	-	-	-	-	-	-
-	-	-	3	-	-	-
<u>\$ 2</u>	<u>\$ 2,606</u>	<u>\$ 31</u>	<u>\$ 2,028</u>	<u>\$ 668</u>	<u>\$ 1,196</u>	<u>\$ 813</u>

\$ -	\$ 2	\$ -	\$ 24	\$ 6	\$ 6	\$ 1
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	31	7	75	39	48	4
-	-	4	28	133	-	-
-	-	-	-	-	-	-
-	-	-	46	-	-	-
-	468	-	-	-	-	-
-	-	5	114	52	31	3
-	2,719	-	-	-	-	-
-	-	-	-	-	-	-
-	3,220	16	287	230	85	8
-	-	-	-	39	987	1,345
2	(614)	15	1,741	399	124	(540)
2	(614)	15	1,741	438	1,111	805
<u>\$ 2</u>	<u>\$ 2,606</u>	<u>\$ 31</u>	<u>\$ 2,028</u>	<u>\$ 668</u>	<u>\$ 1,196</u>	<u>\$ 813</u>

(Continued on Next Page)

STATE OF MONTANA  
 COMBINING BALANCE SHEET - Continued  
 ENTERPRISE FUNDS  
 June 30, 2001  
 (Expressed in Thousands)

	Judiciary Law Library	Local Government Audits	Flexible Spending Administration	Dept of Agriculture	Total
<b>Assets:</b>					
Cash/Cash Equivalents	\$ 3	\$ 393	\$ 197	\$ 9	\$ 25,077
Receivables (Net)	-	-	3	-	15,531
Due from Other Funds	4	-	164	-	333
Due from Component Units	-	-	78	-	90
Inventories	-	-	-	-	6,819
Long-Term Loans/Notes Receivable	-	-	-	-	56,530
Advances to Other Funds	-	-	-	-	392
Investments	-	-	-	-	8,013
Securities Lending Collateral	-	-	-	-	468
Land	-	-	-	-	800
Buildings/Improvements	-	-	-	-	5,849
Equipment	-	-	-	-	7,389
Other Fixed Assets	-	-	-	-	1,154
Construction in Progress	-	-	-	-	15
Accumulated Depreciation	-	-	-	-	(7,357)
Intangible Assets	-	-	-	-	1,735
Deferred Charges	-	-	-	-	1,083
Other Assets	-	1	-	-	2,281
<b>Total Assets</b>	<b>\$ 7</b>	<b>\$ 394</b>	<b>\$ 442</b>	<b>\$ 9</b>	<b>\$ 126,202</b>
<b>Liabilities/Fund Equity:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ -	\$ 14	\$ -	\$ 4,880
Lottery Prizes Payable	-	-	-	-	3,433
Interfund Loans Payable	-	-	201	-	201
Advances from Other Funds	-	-	-	-	130
Due to Other Governments	-	-	-	-	51
Due to Component Units	-	-	-	-	5
Due to Other Funds	-	12	-	-	8,355
Deferred Revenue	14	-	-	-	2,584
Bonds/Notes Payable (Net)	-	-	-	-	74,846
Property Held in Trust	-	-	-	-	145
Securities Lending Liability	-	-	-	-	468
Compensated Absences Payable	-	38	-	1	799
Estimated Insurance Claims	-	-	-	-	3,239
Arbitrage Rebate Tax Payable	-	-	-	-	373
<b>Total Liabilities</b>	<b>14</b>	<b>50</b>	<b>215</b>	<b>1</b>	<b>99,509</b>
<b>Fund Equity:</b>					
Contributed Capital	-	106	-	186	5,115
Retained Earnings:					
Unreserved	(7)	238	227	(178)	21,578
<b>Total Fund Equity</b>	<b>(7)</b>	<b>344</b>	<b>227</b>	<b>8</b>	<b>26,693</b>
<b>Total Liabilities/Fund Equity</b>	<b>\$ 7</b>	<b>\$ 394</b>	<b>\$ 442</b>	<b>\$ 9</b>	<b>\$ 126,202</b>

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**ENTERPRISE FUNDS**

For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	<b>Economic Development Bonds</b>	<b>Liquor Warehouse</b>	<b>Hail Insurance</b>	<b>State Lottery</b>	<b>Prison Ranch</b>	<b>Prison Industries</b>
<b>Operating Revenues:</b>						
Charges for Services	\$ 11	\$ 40,798	\$ -	\$ 30,422	\$ 2,485	\$ 2,818
Investment Earnings	1,120	-	376	275	-	-
Securities Lending Income	-	-	21	1	-	-
Financing Income	3,683	-	-	-	-	-
Contributions/Premiums	-	-	2,760	-	-	-
Grants/Contracts/Donations	-	3	-	-	-	-
Taxes	-	12,151	-	-	-	-
Other Operating Revenues	-	80	4	-	-	-
<b>Total Operating Revenues</b>	<b>4,814</b>	<b>53,032</b>	<b>3,161</b>	<b>30,698</b>	<b>2,485</b>	<b>2,818</b>
<b>Operating Expenses:</b>						
Personal Services	217	776	172	1,260	934	1,566
Contractual Services	51	292	37	4,659	91	18
Supplies/Materials	14	33,960	5	820	793	981
Benefits/Claims (Note 3)	-	-	2,881	-	-	-
Depreciation	1	76	-	620	167	33
Amortization	-	1	-	164	10	-
Utilities/Rent	39	76	14	98	99	70
Communications	14	33	11	685	5	7
Travel	4	2	36	25	5	12
Repair/Maintenance	1	20	2	36	212	31
Lottery Prize Payments	-	-	-	15,729	-	-
Interest Expense	3,667	-	-	184	-	-
Securities Lending Expense	-	-	21	1	-	-
Arbitrage Rebate Tax	204	-	-	-	-	-
Other Operating Expenses	129	36	11	269	266	37
<b>Total Operating Expenses</b>	<b>4,341</b>	<b>35,272</b>	<b>3,190</b>	<b>24,550</b>	<b>2,582</b>	<b>2,755</b>
Operating Income (Loss)	473	17,760	(29)	6,148	(97)	63
<b>Nonoperating Revenues (Expenses):</b>						
Gain (Loss) Sale of Fixed Assets	-	(2)	-	(3)	3	(2)
Increase (Decrease) Value of Livestock	-	-	-	-	478	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>(3)</b>	<b>481</b>	<b>(2)</b>
Income (Loss) Before Operating Transfers	473	17,758	(29)	6,145	384	61
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	(19,827)	(6)	(6,145)	-	-
<b>Net Income (Loss)</b>	<b>473</b>	<b>(2,069)</b>	<b>(35)</b>	<b>-</b>	<b>384</b>	<b>61</b>
Retained Earnings - July 1 - As Previously Reported	4,475	1,700	6,472	-	7,839	1,316
Prior Period Adjustments	(458)	157	-	-	(27)	(117)
<b>Retained Earnings - July 1- As Restated</b>	<b>4,017</b>	<b>1,857</b>	<b>6,472</b>	<b>-</b>	<b>7,812</b>	<b>1,199</b>
Residual Equity Transfers	-	-	-	-	-	-
<b>Retained Earnings - June 30</b>	<b>\$ 4,490</b>	<b>\$ (212)</b>	<b>\$ 6,437</b>	<b>\$ -</b>	<b>\$ 8,196</b>	<b>\$ 1,260</b>

Swan River Vocational Training	Womens Prison Industries	Subsequent Injury	Montana Career Information System	Secretary of State Business Services	Historical Society Publications	Surplus Property	West Yellowstone Airport
\$ -	\$ -	\$ 2	\$ 163	\$ 2,240	\$ 673	\$ 424	\$ 53
-	-	172	-	51	-	-	-
-	-	31	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	6	38	-	64
-	-	205	163	2,297	711	424	117
-	-	-	80	1,259	329	236	31
-	-	-	46	664	56	37	21
-	-	-	14	93	160	116	3
-	-	470	-	-	-	-	-
-	-	-	-	10	3	27	2
-	-	-	-	323	-	-	-
-	-	-	10	66	17	19	14
-	-	-	6	123	35	15	3
-	-	-	6	22	9	20	1
-	-	-	3	6	5	5	12
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	30	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	13	27	22	6	1
-	-	500	178	2,593	636	481	88
-	-	(295)	(15)	(296)	75	(57)	29
-	-	-	-	-	(7)	(10)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	(7)	(10)	-
-	-	(295)	(15)	(296)	68	(67)	29
-	-	-	-	-	54	-	21
-	-	(31)	-	-	-	-	-
-	-	(326)	(15)	(296)	122	(67)	50
2	2	(288)	26	929	255	184	(590)
-	-	-	4	1,108	22	7	-
2	2	(288)	30	2,037	277	191	(590)
(2)	-	-	-	-	-	-	-
\$ -	\$ 2	\$ (614)	\$ 15	\$ 1,741	\$ 399	\$ 124	\$ (540)

(Continued on Next Page)

**STATE OF MONTANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - Continued**  
**ENTERPRISE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Judiciary Law Library	Local Government Audits	Flexible Spending Administration	Dept of Agriculture	Total
<b>Operating Revenues:</b>					
Charges for Services	\$ -	\$ 261	\$ 90	\$ 2	\$ 80,442
Investment Earnings	-	-	5	-	1,999
Securities Lending Income	-	-	-	-	53
Financing Income	-	-	-	-	3,683
Contributions/Premiums	-	-	6,318	-	9,078
Grants/Contracts/Donations	-	-	-	-	3
Taxes	-	-	-	-	12,151
Other Operating Revenues	31	-	-	-	223
<b>Total Operating Revenues</b>	<b>31</b>	<b>261</b>	<b>6,413</b>	<b>2</b>	<b>107,632</b>
<b>Operating Expenses:</b>					
Personal Services	-	167	-	4	7,031
Contractual Services	41	9	91	-	6,113
Supplies/Materials	-	10	-	-	36,969
Benefits/Claims (Note 3)	-	-	6,327	-	9,678
Depreciation	-	-	-	-	939
Amortization	-	-	-	-	498
Utilities/Rent	-	25	-	-	547
Communications	-	5	-	-	942
Travel	-	2	-	-	144
Repair/Maintenance	-	1	-	-	334
Lottery Prize Payments	-	-	-	-	15,729
Interest Expense	-	-	-	-	3,851
Securities Lending Expense	-	-	-	-	52
Arbitrage Rebate Tax	-	-	-	-	204
Other Operating Expenses	-	35	92	-	944
<b>Total Operating Expenses</b>	<b>41</b>	<b>254</b>	<b>6,510</b>	<b>4</b>	<b>83,975</b>
Operating Income (Loss)	(10)	7	(97)	(2)	23,657
<b>Nonoperating Revenues (Expenses):</b>					
Gain (Loss) Sale of Fixed Assets	-	(1)	-	-	(22)
Increase (Decrease) Value of Livestock	-	-	-	-	478
<b>Total Nonoperating Revenues (Expenses)</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>456</b>
Income (Loss) Before Operating Transfers	(10)	6	(97)	(2)	24,113
Operating Transfers In	-	-	-	-	75
Operating Transfers Out	-	-	-	-	(26,009)
<b>Net Income (Loss)</b>	<b>(10)</b>	<b>6</b>	<b>(97)</b>	<b>(2)</b>	<b>(1,821)</b>
Retained Earnings - July 1 - As Previously Reported	3	232	324	(176)	22,705
Prior Period Adjustments	-	-	-	-	696
<b>Retained Earnings - July 1 - As Restated</b>	<b>3</b>	<b>232</b>	<b>324</b>	<b>(176)</b>	<b>23,401</b>
Residual Equity Transfers	-	-	-	-	(2)
<b>Retained Earnings - June 30</b>	<b>\$ (7)</b>	<b>\$ 238</b>	<b>\$ 227</b>	<b>\$ (178)</b>	<b>\$ 21,578</b>

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	<b>Economic Development Bonds</b>	<b>Liquor Warehouse</b>	<b>Hail Insurance</b>	<b>State Lottery</b>	<b>Prison Ranch</b>	<b>Prison Industries</b>
<b>Cash Flows from Operating Activities:</b>						
Receipts from Sales and Services	\$ 10	\$ 42,324	\$ 2,489	\$ 30,164	\$ 2,498	\$ 2,854
Payments to Suppliers for Goods and Services	(279)	(35,506)	(134)	(6,654)	(1,480)	(1,168)
Payments to Employees	(193)	(759)	(170)	(1,322)	(901)	(1,497)
Cash Payments for Claims	-	-	(2,773)	-	-	-
Cash Payments for Prizes	-	-	-	(15,285)	-	-
Other Operating Revenues	-	80	4	-	-	-
Net Cash Provided by (Used for) Operating Activities	(462)	6,139	(584)	6,903	117	189
<b>Cash Flows from Noncapital Financing Activities:</b>						
Payment of Principal and Interest on Bonds and Notes	(13,108)	-	-	-	(4)	-
Proceeds from Issuance of Bonds and Notes	16,484	-	-	-	-	-
Payment of Bond Issuance Costs	(337)	-	-	-	-	-
Collection of Taxes	-	12,150	-	-	-	-
Transfers to Other Funds	-	(20,604)	(26)	(5,749)	-	-
Transfers from Other Funds	-	-	-	-	-	-
Proceeds from Interfund Loans	-	-	-	-	18	-
Payments of Interfund Loans	-	-	-	-	-	(18)
Residual Equity Transfers to Other Funds	-	-	-	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	3,039	(8,454)	(26)	(5,749)	14	(18)
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Acquisition of Fixed Assets	-	(102)	-	(630)	(171)	-
Proceeds from Sale of Fixed Assets	-	-	-	2	-	-
Principal and Interest Payments on Bonds and Notes	-	-	-	(1,146)	-	-
Net Cash Used for Capital and Related Financing Activities	-	(102)	-	(1,774)	(171)	-
<b>Cash Flows from Investing Activities:</b>						
Purchase of Investments	(14,075)	-	-	-	-	-
Proceeds from Sales or Maturities of Investments	13,509	-	3,000	-	-	-
Proceeds from Securities Lending Transactions	-	-	31	1	-	-
Interest and Dividends on Investments	950	-	(355)	87	-	-
Payment of Securities Lending Costs	-	-	(30)	(1)	-	-
Collections of Principal and Interest on Loans	27,798	-	-	-	-	-
Cash Payments for Loans	(23,234)	-	-	-	-	-
Arbitrage Rebate Tax	(44)	-	-	-	-	-
Net Cash Provided by (Used for) Investing Activities	4,904	-	2,646	87	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	7,481	(2,417)	2,036	(533)	(40)	171
Cash and Cash Equivalents, July 1	4,780	3,178	3,456	1,749	2,145	240
Cash and Cash Equivalents, June 30	\$ 12,261	\$ 761	\$ 5,492	\$ 1,216	\$ 2,105	\$ 411



	Swan River Vocational Training	Womens Prison Industries	Subsequent Injury	Montana Career Information System	Secretary of State Business Services	Historical Society Publications	Surplus Property	West Yellowstone Airport
\$	-	\$ -	\$ (2)	\$ 159	\$ 2,253	\$ 672	\$ 454	\$ 117
	-	-	-	(96)	(1,067)	(363)	(231)	(55)
	-	-	-	(67)	(1,241)	(337)	(236)	(33)
	-	-	(29)	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	(31)	(4)	(55)	(28)	(13)	29
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	54	-	22
	-	-	-	-	-	-	-	-
	(2)	-	-	-	(100)	-	-	-
	(2)	-	-	-	(100)	54	-	22
	-	-	-	-	-	-	(20)	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(20)	-
	-	-	(453)	-	-	-	-	-
	-	-	483	-	-	-	-	-
	-	-	32	-	-	-	-	-
	-	-	114	-	52	-	-	-
	-	-	(31)	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	145	-	52	-	-	-
	(2)	-	114	(4)	(103)	26	(33)	51
	2	2	552	35	1,119	71	79	320
\$	-	\$ 2	\$ 666	\$ 31	\$ 1,016	\$ 97	\$ 46	\$ 371

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STATE OF MONTANA  
**COMBINING STATEMENT OF CASH FLOWS - Continued**  
**ENTERPRISE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Judicial Law Library	Local Government Audits	Flexible Spending Administration	Dept of Agriculture	Total
<b>Cash Flows from Operating Activities:</b>					
Receipts from Sales and Services	\$ 33	\$ 262	\$ 6,371	\$ 4	\$ 90,662
Payments to Suppliers for Goods and Services	(44)	(83)	(145)	(1)	(47,306)
Payments to Employees	-	(171)	-	(4)	(6,931)
Cash Payments for Claims	-	-	(6,327)	-	(9,129)
Cash Payments for Prizes	-	-	-	-	(15,285)
Other Operating Revenues	-	-	-	-	84
Net Cash Provided by (Used for) Operating Activities	(11)	8	(101)	(1)	12,095
<b>Cash Flows from Noncapital Financing Activities:</b>					
Payment of Principal and Interest on Bonds and Notes	-	-	-	-	(13,112)
Proceeds from Issuance of Bonds and Notes	-	-	-	-	16,484
Payment of Bond Issuance Costs	-	-	-	-	(337)
Collection of Taxes	-	-	-	-	12,150
Transfers to Other Funds	-	-	-	-	(26,379)
Transfers from Other Funds	-	-	-	-	76
Proceeds from Interfund Loans	-	-	600	-	618
Payments of Interfund Loans	-	-	(550)	-	(668)
Residual Equity Transfers to Other Funds	-	-	-	-	(2)
Net Cash Provided by (Used for) Noncapital Financing Activities	-	-	50	-	(11,170)
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Acquisition of Fixed Assets	-	-	-	-	(923)
Proceeds from Sale of Fixed Assets	-	-	-	-	2
Principal and Interest Payments on Bonds and Notes	-	-	-	-	(1,146)
Net Cash Used for Capital and Related Financing Activities	-	-	-	-	(2,067)
<b>Cash Flows from Investing Activities:</b>					
Purchase of Investments	-	-	-	-	(14,528)
Proceeds from Sales or Maturities of Investments	-	-	-	-	16,992
Proceeds from Securities Lending Transactions	-	-	-	-	64
Interest and Dividends on Investments	-	-	6	-	854
Payment of Securities Lending Costs	-	-	-	-	(62)
Collections of Principal and Interest on Loans	-	-	-	-	27,798
Cash Payments for Loans	-	-	-	-	(23,234)
Arbitrage Rebate Tax	-	-	-	-	(44)
Net Cash Provided by (Used for) Investing Activities	-	-	6	-	7,840
Net Increase (Decrease) in Cash and Cash Equivalents	(11)	8	(45)	(1)	6,698
Cash and Cash Equivalents, July 1	14	385	242	10	18,379
Cash and Cash Equivalents, June 30	\$ 3	\$ 393	\$ 197	\$ 9	\$ 25,077

STATE OF MONTANA  
COMBINING STATEMENT OF CASH FLOWS - Continued  
ENTERPRISE FUNDS  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Economic Development Bonds	Liquor Warehouse	Hail Insurance	State Lottery	Prison Ranch	Prison Industries
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>						
Operating Income (Loss)	\$ 473	\$ 17,760	\$ (29)	\$ 6,148	\$ (97)	\$ 63
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:</b>						
Depreciation	1	76	-	620	167	33
Amortization	-	1	-	164	10	-
Taxes	-	(12,151)	-	-	-	-
Interest Expense	3,667	-	-	184	-	-
Securities Lending Expense	-	-	21	1	-	-
Interest on Investments	(1,120)	-	(376)	(275)	-	-
Securities Lending Income	-	-	(21)	(1)	-	-
Financing Income	(3,683)	-	-	-	-	-
Arbitrage Rebate Tax	204	-	-	-	-	-
Change in Assets and Liabilities:						
Decr (Incr) in Accounts Receivable	-	1,544	(296)	(216)	-	34
Decr (Incr) in Due from Other Funds	-	-	-	-	25	86
Decr (Incr) in Due from Component Units	-	-	-	-	-	4
Decr (Incr) in Inventories	-	413	-	(30)	71	116
Decr (Incr) in Intangible Assets	-	-	-	7	-	-
Decr (Incr) in Other Assets	-	55	-	40	-	1
Incr (Decr) in Accounts Payable	-	(15)	-	(128)	(59)	(75)
Incr (Decr) in Lottery Prizes Payable	-	-	-	469	-	-
Incr (Decr) in Due to Other Funds	(27)	(1,531)	27	12	(14)	2
Incr (Decr) in Due to Component Units	-	-	-	(4)	-	-
Incr (Decr) in Due to Other Governments	-	-	5	-	-	-
Incr (Decr) in Deferred Revenue	-	35	24	(87)	1	(85)
Incr (Decr) in Property Held in Trust	-	(55)	-	(2)	-	-
Incr (Decr) in Compensated Absences Payable	23	7	(2)	1	13	10
Incr (Decr) in Estimated Claims	-	-	63	-	-	-
Net Cash Provided by (Used for) Operating Activities	\$ (462)	\$ 6,139	\$ (584)	\$ 6,903	\$ 117	\$ 189
<b>Schedule of Noncash Transactions:</b>						
Asset Acquisitions from Contributed Capital Transfers from Other Funds	-	-	-	-	-	-
Total Noncash Transactions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued on Next Page)

STATE OF MONTANA  
COMBINING STATEMENT OF CASH FLOWS - Continued  
ENTERPRISE FUNDS  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Swan River Vocational Training	Womens Prison Industries	Subsequent Injury	Montana Career Information System	Secretary of State Business Services
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>					
Operating Income (Loss)	\$ -	\$ -	\$ (295)	\$ (15)	\$ (296)
<b>Adjustments to Reconcile Operating Income to Net Cash Provided By (used for) Operating Activities:</b>					
Depreciation	-	-	-	-	10
Amortization	-	-	-	-	323
Taxes	-	-	-	-	-
Interest Expense	-	-	-	-	-
Securities Lending Expense	-	-	30	-	-
Interest On Investments	-	-	(172)	-	(51)
Securities Lending Income	-	-	(31)	-	-
Financing Income	-	-	-	-	-
Arbitrage Rebate Tax	-	-	-	-	-
Change in Assets And Liabilities:					
Decr (Incr) in Accounts Receivable	-	-	(3)	-	1
Decr (Incr) in Due from Other Funds	-	-	-	-	1
Decr (Incr) in Due from Component Units	-	-	-	-	-
Decr (Incr) in Inventories	-	-	-	-	(2)
Decr (Incr) in Intangible Assets	-	-	-	-	-
Decr (Incr) in Other Assets	-	-	-	-	(3)
Incr (Decr) in Accounts Payable	-	-	-	-	(39)
Incr (Decr) in Lottery Prizes Payable	-	-	-	-	-
Incr (Decr) in Due to Other Funds	-	-	-	5	(13)
Incr (Decr) in Due to Component Units	-	-	-	-	-
Incr (Decr) in Due to Other Governments	-	-	-	-	-
Incr (Decr) in Deferred Revenue	-	-	-	(2)	(2)
Incr (Decr) in Property Held in Trust	-	-	-	-	5
Incr (Decr) in Compensated Absences Pay	-	-	-	8	11
Incr (Decr) in Estimated Claims	-	-	440	-	-
Net Cash Provided By (used for) Operating Activities	\$ -	\$ -	\$ (31)	\$ (4)	\$ (55)
<b>Schedule Of Noncash Transactions:</b>					
Asset Acquisitions from Contributed Capital Transfers from Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -
Total Noncash Transactions	\$ -	\$ -	\$ -	\$ -	\$ -

Historical Society Publications	Surplus Property	West Yellowstone Airport	Judicial Law Library	Local Government Audits	Flexible Spending Administration	Dept of Agriculture	Total
\$ 75	\$ (57)	\$ 29	\$ (10)	\$ 7	\$ (97)	\$ (2)	23,657
3	27	2	-	-	-	-	939
-	-	-	-	-	-	-	498
-	-	-	-	-	-	-	(12,151)
-	-	-	-	-	-	-	3,851
-	-	-	-	-	-	-	52
-	-	-	-	-	(5)	-	(1,999)
-	-	-	-	-	-	-	(53)
-	-	-	-	-	-	-	(3,683)
-	-	-	-	-	-	-	204
(47)	50	-	-	-	(3)	-	1,064
(3)	(13)	-	(4)	-	(17)	-	75
-	-	-	-	-	(15)	-	(11)
(87)	-	-	-	-	-	-	481
-	-	-	-	-	-	-	7
-	1	-	-	(1)	30	-	123
6	(2)	(1)	(2)	-	8	-	(307)
-	-	-	-	-	-	-	469
22	(20)	-	-	-	-	-	(1,537)
-	-	-	-	-	-	-	(4)
-	-	-	-	-	-	-	5
11	-	-	5	-	(2)	-	(102)
-	-	-	-	-	-	-	(52)
(8)	1	(1)	-	2	-	1	66
-	-	-	-	-	-	-	503
\$ (28)	\$ (13)	\$ 29	\$ (11)	\$ 8	\$ (101)	\$ (1)	12,095
\$ -	\$ 188	\$ -	\$ -	\$ -	\$ -	\$ -	188
\$ -	\$ 188	\$ -	\$ -	\$ -	\$ -	\$ -	188

# INTERNAL SERVICE FUNDS

**Internal Service Funds** are used to account for operations that provide goods or services to other agencies or programs of state government on a cost-reimbursement basis. A brief description of each Internal Service Fund follows:

**Office Supplies & Equipment** - Four internal service funds under the Departments of Fish, Wildlife and Parks (FWP Equipment, FWP Warehouse Inventory & FWP Office Supply) and Transportation (Highway Equipment) are used to account for inter- and intradepartmental sales and use of office supplies and equipment.

**Employee Group Benefits** - This fund receives employee (excluding higher education units) withholdings and State contributions to the medical self-insurance plan. The State contracted with Blue Cross and Blue Shield of Montana to oversee the administrative functions of the program.

**Information Services Division (ISD)** - State agencies and private users are assessed a fee for their use of the State's phone system, centralized data processing and systems design services provided by the Department of Administration.

**Montana University System (MUS) Group Insurance** - This fund accounts for employee contributions to the Montana University System's medical/dental self-insurance plan.

**Administration Insurance** - The Department of Administration accounts for the State's property self-insurance program (including liability, property, flood, etc.) in this fund.

**Motor Pool** - State employee transportation is provided by the Department of Transportation through a pool of vehicles. The costs of operating the Motor Pool are recovered through rental rates charged to user agencies based on the average operating costs per mile for each class of vehicle.

**Administration Supply** - The Department of Administration accounts for the intragovernmental sales of office supplies and paper products to State agencies in this fund.

**Publications & Graphics** - Agencies are assessed a fee for duplicating, typesetting, forms design and graphic arts services.

**Buildings & Grounds** - Rent proceeds from State agencies are used to pay maintenance, security and landscaping costs for State-owned property.

**Central Services** - Funds are used by the Departments of Labor and Industry, Commerce, and the Office of Public Instruction for administrative services provided on a cost recovery basis to programs within the departments.

**DEQ Indirect Cost Pool** - This fund is used to account for funds collected as indirect costs from the operating units of the Department of Environmental Quality and used to fund the Department's indirect cost pool operations that provide services to the Department.

**Mail & Messenger** - This fund accounts for costs associated with intrastate government mail and package delivery.

**Payroll Processing** - This fund accounts for the payments received from State agencies for the costs associated with the processing of payroll warrants.

**Warrant Processing** - This fund accounts for the payments received from State agencies for the costs associated with the processing of all warrants other than payroll.

**Investment Division** - This fund accounts for costs associated with operations of the Board of Investments. The Board assists agencies in the investment of State funds. Costs of administering and accounting for each investment fund are allocated based on the dollar volume of investments held by user agencies.

**Aircraft Operations** - The Department of State Lands accounts for fees charged to users of State aircraft in this fund.

**Legal Services** - The Attorney General's Office and the Department of Justice charge other State agencies a fee for legal assistance. The Departments of Administration funds legal services with intradepartmental fees.

**Personnel Training** - This fund accounts for fees charged State agencies for training State employees. The fees are used by the Department of Administration to pay instructors and purchase training materials.

**Records Management** - State agencies are assessed a fee for records storage and microfilm services provided by the Office of the Secretary of State.

**Debt Collection/Customer Service Center (CSC)** – The Debt Collection component of this fund accounts for fees charged for the collection of bad debts. The Customer Service Center (CSC) provides customer assistance and registration, mail and remittance processing, data capture, collection of accounts receivable, account maintenance, and record retention services.

**Local Government Administration** - This fund accounts for the costs incurred by the Administrator of the Local Government Assistance Division in the Department of Commerce and the allocation of these costs to other programs within the division.

**Statewide Fueling Network** - This fund accounts for the costs associated with the development of a statewide fueling network which will allow State agencies and local governments to utilize a single fueling network and management information system for all fueling transactions.

**Natural Gas Procurement** - State agencies are charged for the centralized payment of natural gas procurement and associated administrative costs as provided by the Department of Administration.

**Administration DP Unit** - This fund accounts for data processing support costs incurred by General Fund and non-General Fund divisions within the Department of Administration.

**Procurement Card Purchases** – The State Procurement Card program administers the State's MasterCard contract for the automated processing of small purchases.

STATE OF MONTANA  
COMBINING BALANCE SHEET  
INTERNAL SERVICE FUNDS  
June 30, 2001  
(Expressed in Thousands)

	FWP Equipment	FWP Warehouse Inventory	FWP Office Supply	Highway Equipment	Employee Group Benefits	Information Services Division	MUS Group Insurance
<b>Assets:</b>							
Cash/Cash Equivalents	\$ 135	\$ 56	\$ 20	\$ 353	\$ 8,092	\$ 215	\$ 7,983
Receivables (Net)	5	-	-	10	235	85	111
Interfund Loans Receivable	-	-	-	-	-	3	-
Due from Other Governments	9	-	-	5	-	-	-
Due from Component Units	1	-	-	-	-	653	809
Due from Other Funds	120	-	4	18	2,111	2,337	17
Inventories	-	150	15	-	-	-	-
Investments	-	-	-	-	16,561	-	-
Securities Lending Collateral	-	-	-	-	5,268	-	-
Land	-	-	-	-	-	-	-
Equipment	9,286	-	65	98,912	17	27,922	-
Construction in Progress	-	-	-	3,228	-	-	-
Accumulated Depreciation	(3,203)	-	(50)	(51,427)	(16)	(24,215)	-
Intangible Assets	-	-	-	-	-	362	-
Other Assets	5	-	-	-	-	22	-
<b>Total Assets</b>	<b>\$ 6,358</b>	<b>\$ 206</b>	<b>\$ 54</b>	<b>\$ 51,099</b>	<b>\$ 32,268</b>	<b>\$ 7,384</b>	<b>\$ 8,920</b>
<b>Liabilities/Fund Equity:</b>							
<b>Liabilities:</b>							
Accounts Payable	\$ 95	\$ -	\$ 2	\$ 282	\$ 2,832	\$ 1,132	\$ 975
Interfund Loans Payable	-	-	-	-	-	-	-
Advances from Other Funds	300	-	-	-	-	-	-
Due to Component Units	-	-	-	-	-	18	9
Due to Other Funds	4	-	4	217	67	378	8
Deferred Revenue	-	-	-	-	-	38	-
Lease/Installment Purchase Payable	-	-	-	-	-	2,608	-
Bonds/Notes Payable	-	-	-	-	-	-	-
Property Held in Trust	-	-	-	-	-	5	-
Securities Lending Liability	-	-	-	-	5,268	-	-
Compensated Absences Payable	2	-	-	644	64	1,245	55
Estimated Insurance Claims	-	-	-	-	7,181	-	2,378
<b>Total Liabilities</b>	<b>401</b>	<b>-</b>	<b>6</b>	<b>1,143</b>	<b>15,412</b>	<b>5,424</b>	<b>3,425</b>
<b>Fund Equity:</b>							
Contributed Capital	2,382	85	25	14,289	-	1,592	-
Retained Earnings:							
Unreserved	3,575	121	23	35,667	16,856	368	5,495
<b>Total Fund Equity</b>	<b>5,957</b>	<b>206</b>	<b>48</b>	<b>49,956</b>	<b>16,856</b>	<b>1,960</b>	<b>5,495</b>
<b>Total Liabilities/Fund Equity</b>	<b>\$ 6,358</b>	<b>\$ 206</b>	<b>\$ 54</b>	<b>\$ 51,099</b>	<b>\$ 32,268</b>	<b>\$ 7,384</b>	<b>\$ 8,920</b>



	Admin. Insurance	Motor Pool	Admin. Supply	Publications & Graphics	Buildings & Grounds	Labor Central Services	Commerce Central Services	OPI Central Services
\$	1,209	\$ 69	\$ 339	\$ 310	\$ 672	\$ 546	\$ 597	\$ 155
	-	3	99	1	3	1	1	-
	-	-	-	-	-	-	-	-
	-	1	-	-	-	-	-	-
	3	1	20	16	-	6	14	-
	2	496	391	370	58	210	141	325
	-	-	384	164	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	236	-	-	-	-	-	-
	6	12,373	110	1,238	232	319	138	-
	-	-	-	-	-	-	-	-
	(3)	(4,417)	(94)	(834)	(156)	(230)	(87)	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	4	1
<b>\$</b>	<b>1,217</b>	<b>\$ 8,762</b>	<b>\$ 1,249</b>	<b>\$ 1,265</b>	<b>\$ 809</b>	<b>\$ 852</b>	<b>\$ 808</b>	<b>\$ 481</b>

\$	308	\$ 35	\$ 105	\$ 169	\$ 330	\$ 166	\$ 11	\$ 1
	-	816	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	4	-	1	-	-	2	3	-
	124	57	18	56	81	219	128	93
	-	-	-	-	-	-	-	-
	-	-	-	42	-	-	-	-
	-	5,718	-	-	-	-	-	-
	-	-	-	-	-	-	14	-
	-	-	-	-	-	-	-	-
	96	17	58	97	122	126	389	109
	25,234	-	-	-	-	-	-	-
	25,766	6,643	182	364	533	513	545	203
	2	-	-	-	5	11	47	-
	(24,551)	2,119	1,067	901	271	328	216	278
	(24,549)	2,119	1,067	901	276	339	263	278
<b>\$</b>	<b>1,217</b>	<b>\$ 8,762</b>	<b>\$ 1,249</b>	<b>\$ 1,265</b>	<b>\$ 809</b>	<b>\$ 852</b>	<b>\$ 808</b>	<b>\$ 481</b>

(Continued on Next Page)

STATE OF MONTANA  
 COMBINING BALANCE SHEET - Continued  
 INTERNAL SERVICE FUNDS  
 June 30, 2001  
 (Expressed in Thousands)

	DEQ Indirect Cost Pool	Mail & Messenger	Payroll Processing	Warrant Processing	Investment Division	Aircraft Operation	Justice Legal Services
<b>Assets:</b>							
Cash/Cash Equivalents	\$ 459	\$ 140	\$ 57	\$ 4	\$ 195	\$ 259	\$ 126
Receivables (Net)	-	14	-	-	-	-	-
Interfund Loans Receivable	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-	-
Due from Component Units	3	8	-	15	74	-	8
Due from Other Funds	268	274	-	55	37	37	96
Inventories	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Securities Lending Collateral	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-
Equipment	210	510	-	34	54	25	-
Construction in Progress	-	-	-	-	-	-	-
Accumulated Depreciation	(71)	(332)	-	(32)	(29)	(20)	-
Intangible Assets	-	-	-	-	-	-	-
Other Assets	-	283	4	-	8	-	-
<b>Total Assets</b>	<b>\$ 869</b>	<b>\$ 897</b>	<b>\$ 61</b>	<b>\$ 76</b>	<b>\$ 339</b>	<b>\$ 301</b>	<b>\$ 230</b>
<b>Liabilities/Fund Equity:</b>							
<b>Liabilities:</b>							
Accounts Payable	\$ 71	\$ 102	\$ -	\$ 2	\$ 25	\$ 24	\$ 2
Interfund Loans Payable	-	-	-	7	-	-	100
Advances from Other Funds	-	-	-	-	-	-	-
Due to Component Units	1	-	-	-	-	-	-
Due to Other Funds	88	20	19	73	137	18	38
Deferred Revenue	-	-	-	-	-	-	-
Lease/Installment Purchase Payable	-	-	-	-	-	-	-
Bonds/Notes Payable	-	-	-	-	-	-	-
Property Held in Trust	-	-	-	-	-	-	-
Securities Lending Liability	-	-	-	-	-	-	-
Compensated Absences Payable	306	51	24	9	225	34	116
Estimated Insurance Claims	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>466</b>	<b>173</b>	<b>43</b>	<b>91</b>	<b>387</b>	<b>76</b>	<b>256</b>
<b>Fund Equity:</b>							
Contributed Capital	271	-	103	21	18	-	-
Retained Earnings:							
Unreserved	132	724	(85)	(36)	(66)	225	(26)
<b>Total Fund Equity</b>	<b>403</b>	<b>724</b>	<b>18</b>	<b>(15)</b>	<b>(48)</b>	<b>225</b>	<b>(26)</b>
<b>Total Liabilities/Fund Equity</b>	<b>\$ 869</b>	<b>\$ 897</b>	<b>\$ 61</b>	<b>\$ 76</b>	<b>\$ 339</b>	<b>\$ 301</b>	<b>\$ 230</b>

Admin. Legal Services	Personnel Training	Records Management	Debt Collection/ CSC	Local Government Admin.	Statewide Fueling Network	Admin. DP Unit	Procurement Card Purchases	Total
\$ -	\$ 13	\$ 139	\$ 649	\$ -	\$ 9	\$ 9	\$ 12	\$ 22,822
-	9	9	-	-	-	-	-	586
-	-	-	-	-	-	-	-	3
-	-	-	-	-	-	-	-	15
-	1	6	3	-	-	-	-	1,641
-	73	21	349	6	-	-	1	7,817
-	-	25	-	-	-	-	-	738
-	-	-	-	-	-	-	-	16,561
-	-	-	-	-	-	-	-	5,268
-	-	-	-	-	-	-	-	236
-	-	58	516	-	-	11	-	152,036
-	-	-	-	-	-	-	-	3,228
-	-	(53)	(126)	-	-	(4)	-	(85,399)
-	-	-	104	-	-	-	-	466
-	1	1	-	-	-	-	-	329
\$ -	\$ 97	\$ 206	\$ 1,495	\$ 6	\$ 9	\$ 16	\$ 13	\$ 126,347

\$ -	\$ -	\$ 3	\$ 79	\$ -	\$ -	\$ -	\$ -	\$ 6,751
-	-	-	-	-	-	-	-	923
-	-	190	-	-	-	-	-	490
-	-	-	-	-	-	-	-	38
4	11	21	389	6	1	4	-	2,283
-	-	18	-	-	-	-	-	56
-	-	-	-	-	-	-	-	2,650
-	-	-	-	-	-	-	-	5,718
-	-	-	-	-	-	-	-	19
-	-	-	-	-	-	-	-	5,268
26	20	31	443	43	-	6	-	4,358
-	-	-	-	-	-	-	-	34,793
30	31	263	911	49	1	10	-	63,347

-	1	6	533	-	3	-	-	19,394
(30)	65	(63)	51	(43)	5	6	13	43,606
(30)	66	(57)	584	(43)	8	6	13	63,000
\$ -	\$ 97	\$ 206	\$ 1,495	\$ 6	\$ 9	\$ 16	\$ 13	\$ 126,347

STATE OF MONTANA  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
INTERNAL SERVICE FUNDS  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	FWP Equipment	FWP Warehouse Inventory	FWP Office Supply	Highway Equipment	Employee Group Benefits	Information Services Division	MUS Group Insurance
<b>Operating Revenues:</b>							
Charges for Services	\$ 1,440	\$ 96	\$ 80	\$ 16,838	\$ -	\$ 27,293	\$ -
Investment Earnings	-	-	-	-	2,509	-	501
Securities Lending Income	-	-	-	-	180	-	4
Premiums	-	-	-	-	58,003	-	28,829
Grants/Contracts/Donations	-	-	-	-	-	3	-
Taxes	-	-	-	1	-	1	-
Other Operating Revenues	17	-	-	77	239	21	25
<b>Total Operating Revenues</b>	<b>1,457</b>	<b>96</b>	<b>80</b>	<b>16,916</b>	<b>60,931</b>	<b>27,318</b>	<b>29,359</b>
<b>Operating Expenses:</b>							
Personal Services	64	-	26	4,991	457	8,855	148
Contractual Services	82	1	1	638	1,783	2,308	3,759
Supplies/Materials	626	79	35	4,111	7	1,563	6
Benefits/Claims (Note 3)	-	-	-	-	63,346	-	25,034
Depreciation	991	-	4	4,817	3	2,293	-
Amortization	-	-	-	-	-	-	-
Utilities/Rent	11	2	1	72	18	3,721	10
Communications	3	1	1	9	50	6,318	2
Travel	6	-	-	45	3	187	4
Repair/Maintenance	394	1	13	2,899	1	1,339	-
Interest Expense	-	-	-	-	-	186	-
Securities Lending Expense	-	-	-	-	169	-	3
Other Operating Expenses	8	-	-	159	152	276	266
<b>Total Operating Expenses</b>	<b>2,185</b>	<b>84</b>	<b>81</b>	<b>17,741</b>	<b>65,989</b>	<b>27,046</b>	<b>29,232</b>
Operating Income (Loss)	(728)	12	(1)	(825)	(5,058)	272	127
<b>Nonoperating Revenues (Expenses):</b>							
Gain (Loss) Sale of Fixed Assets	(185)	-	-	139	-	(6)	-
Federal Indirect Cost Recoveries	-	-	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(185)</b>	<b>-</b>	<b>-</b>	<b>139</b>	<b>-</b>	<b>(6)</b>	<b>-</b>
Income (Loss) Before Operating Transfers	(913)	12	(1)	(686)	(5,058)	266	127
Operating Transfers In	223	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	(338)	-
Net Income (Loss)	(690)	12	(1)	(686)	(5,058)	(72)	127
Retained Earnings - July 1 - As Previously Reported	4,238	109	24	38,386	20,757	1,773	5,368
Prior Period Adjustments	27	-	-	(2,033)	1,157	(1,333)	-
Retained Earnings - July 1 - As Restated	4,265	109	24	36,353	21,914	440	5,368
Retained Earnings - June 30	\$ 3,575	\$ 121	\$ 23	\$ 35,667	\$ 16,856	\$ 368	\$ 5,495

	Admin. Insurance	Motor Pool	Admin. Supply	Publications & Graphics	Buildings & Grounds	Labor Central Services	Commerce Central Services	OPI Central Services
\$	-	\$ 3,586	\$ 5,236	\$ 5,548	\$ 5,793	\$ 553	\$ 2,990	\$ 796
	217	-	-	-	-	-	-	-
	13	-	-	-	-	-	-	-
	6,519	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	8	-	2
	45	1	-	-	-	7	-	-
	6,794	3,587	5,236	5,548	5,793	568	2,990	798
	600	204	347	801	1,082	1,180	2,320	909
	3,221	165	65	98	2,073	137	244	207
	37	672	4,261	4,364	176	132	81	51
	3,173	-	-	-	-	-	17	-
	1	1,545	5	126	26	20	16	-
	-	-	-	-	-	-	-	-
	54	74	93	87	1,766	109	181	126
	20	3	23	24	17	35	43	73
	25	-	-	3	7	8	18	3
	89	192	4	155	767	27	3	29
	-	463	-	4	-	-	-	-
	13	-	-	-	-	-	-	-
	31	3	17	36	82	24	181	52
	7,264	3,321	4,815	5,698	5,996	1,672	3,104	1,450
	(470)	266	421	(150)	(203)	(1,104)	(114)	(652)
	-	(101)	(6)	(4)	-	(5)	(9)	-
	-	-	-	-	-	972	110	686
	-	(101)	(6)	(4)	-	967	101	686
	(470)	165	415	(154)	(203)	(137)	(13)	34
	20	-	-	-	-	-	-	-
	(332)	-	-	-	(2)	-	-	-
	(782)	165	415	(154)	(205)	(137)	(13)	34
	(23,769)	2,382	652	1,055	479	465	230	244
	-	(428)	-	-	(3)	-	(1)	-
	(23,769)	1,954	652	1,055	476	465	229	244
\$	(24,551)	\$ 2,119	\$ 1,067	\$ 901	\$ 271	\$ 328	\$ 216	\$ 278

(Continued on Next Page)

STATE OF MONTANA  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - Continued**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	DEQ Indirect Cost Pool	Mail & Messenger	Payroll Processing	Warrant Processing	Investment Division	Aircraft Operation	Justice Legal Services
<b>Operating Revenues:</b>							
Charges for Services	\$ 1,435	\$ 3,191	\$ 310	\$ 736	\$ 2,049	\$ 759	\$ 1,109
Investment Earnings	-	-	-	-	-	-	-
Securities Lending Income	-	-	-	-	-	-	-
Premiums	-	-	-	-	-	-	-
Grants/Contracts/Donations	-	-	2	-	-	-	1
Taxes	3	-	-	-	-	-	-
Other Operating Revenues	3	-	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>1,441</b>	<b>3,191</b>	<b>312</b>	<b>736</b>	<b>2,049</b>	<b>759</b>	<b>1,110</b>
<b>Operating Expenses:</b>							
Personal Services	1,778	455	234	139	1,575	267	836
Contractual Services	418	50	85	149	195	36	146
Supplies/Materials	86	43	4	6	61	68	16
Benefits/Claims (Note 3)	-	-	-	-	-	-	-
Depreciation	37	63	-	7	8	1	-
Amortization	-	-	-	-	-	-	-
Utilities/Rent	67	56	9	7	128	66	37
Communications	64	2,507	10	418	38	8	13
Travel	14	3	2	-	32	19	15
Repair/Maintenance	8	71	1	1	7	558	5
Interest Expense	-	2	-	-	-	-	1
Securities Lending Expense	-	-	-	-	-	-	-
Other Operating Expenses	44	9	11	46	180	7	11
<b>Total Operating Expenses</b>	<b>2,516</b>	<b>3,259</b>	<b>356</b>	<b>773</b>	<b>2,224</b>	<b>1,030</b>	<b>1,080</b>
Operating Income (Loss)	(1,075)	(68)	(44)	(37)	(175)	(271)	30
<b>Nonoperating Revenues (Expenses):</b>							
Gain (Loss) Sale of Fixed Assets	(17)	-	-	(1)	(5)	-	-
Federal Indirect Cost Recoveries	1,043	-	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>1,026</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(5)</b>	<b>-</b>	<b>-</b>
Income (Loss) Before Operating Transfers	(49)	(68)	(44)	(38)	(180)	(271)	30
Operating Transfers In	-	-	-	-	-	355	-
Operating Transfers Out	-	-	-	-	-	-	-
<b>Net Income (Loss)</b>	<b>(49)</b>	<b>(68)</b>	<b>(44)</b>	<b>(38)</b>	<b>(180)</b>	<b>84</b>	<b>30</b>
Retained Earnings - July 1 - As Previously Reported	180	792	(41)	2	114	141	(56)
Prior Period Adjustments	1	-	-	-	-	-	-
Retained Earnings - July 1 - As Restated	181	792	(41)	2	114	141	(56)
Retained Earnings - June 30	\$ 132	\$ 724	\$ (85)	\$ (36)	\$ (66)	\$ 225	\$ (26)

Admin. Legal Services	Personnel Training	Records Management	Debt Collection/ CSC	Local Government Admin.	Statewide Fueling Network	Natural Gas Procurement	Admin. DP Unit	Procurement Card Purchases	Total
\$ 91	\$ 312	\$ 495	\$ 5,932	\$ 142	\$ 22	\$ -	\$ 115	\$ 8	\$ 86,955
-	-	-	-	-	-	-	-	-	3,227
-	-	-	-	-	-	-	-	-	197
-	-	-	-	-	-	-	-	-	93,351
-	-	-	-	-	-	-	-	-	6
-	-	-	-	-	-	-	-	-	15
-	-	20	-	-	-	-	-	8	463
91	312	515	5,932	142	22	-	115	16	184,214
92	147	293	4,416	130	-	-	94	-	32,440
3	30	108	1,473	1	-	-	5	3	17,484
-	22	30	172	2	12	4	2	-	16,729
-	-	-	-	-	-	-	-	-	91,570
-	-	7	69	-	-	-	2	-	10,041
-	-	-	22	-	-	-	-	-	22
2	11	60	129	-	-	-	2	-	6,899
-	9	9	590	-	1	-	1	-	10,290
-	14	1	34	-	7	-	-	-	450
-	-	17	111	-	-	-	-	4	6,696
-	-	-	-	-	-	-	-	-	656
-	-	-	-	-	-	-	-	-	185
3	2	4	45	13	1	-	5	-	1,668
100	235	529	7,061	146	21	4	111	7	195,130
(9)	77	(14)	(1,129)	(4)	1	(4)	4	9	(10,916)
-	(1)	-	(22)	-	-	-	-	-	(223)
-	-	-	-	-	-	-	-	-	2,811
-	(1)	-	(22)	-	-	-	-	-	2,588
(9)	76	(14)	(1,151)	(4)	1	(4)	4	9	(8,328)
-	-	-	2,812	-	-	-	-	-	3,410
-	-	-	(344)	-	-	-	-	-	(1,016)
(9)	76	(14)	1,317	(4)	1	(4)	4	9	(5,934)
(21)	(11)	(49)	(1,282)	(39)	4	4	5	4	52,140
-	-	-	16	-	-	-	(3)	-	(2,600)
(21)	(11)	(49)	(1,266)	(39)	4	4	2	4	49,540
\$ (30)	\$ 65	\$ (63)	\$ 51	\$ (43)	\$ 5	\$ -	\$ 6	\$ 13	\$ 43,606

**STATE OF MONTANA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	FWP Equipment	FWP Warehouse Inventory	FWP Office Supply	Highway Equipment	Employee Group Benefits	Information Services Division
<b>Cash Flows from Operating Activities:</b>						
Receipts from Sales and Services	\$ 1,418	\$ 95	\$ 80	\$ 16,928	\$ 59,300	\$ 27,556
Payments to Suppliers for Goods and Services	(1,190)	(66)	(44)	(7,870)	(1,908)	(16,511)
Payments to Employees	(64)	-	(27)	(4,938)	(453)	(8,644)
Grant Receipts	-	-	-	-	-	3
Cash Payments for Claims	-	-	-	-	(62,605)	-
Collections of Payroll Taxes	-	-	-	-	-	-
Other Operating Revenue	8	-	-	1	328	21
Net Cash Provided by (Used for) Operating Activities	172	29	9	4,121	(5,338)	2,425
<b>Cash Flows from Noncapital Financing Activities:</b>						
Payment of Principal and Interest on Bonds and Notes	-	-	-	-	-	-
Proceeds from Issuance of Bonds and Notes	-	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-	(338)
Transfers from Other Funds	223	-	-	-	-	-
Contributed Capital Transfers from Other Funds	-	-	-	7,150	-	-
Advances from Other Funds	300	-	-	-	-	-
Cash Payments for Loans	-	-	-	-	-	-
Proceeds from Interfund Loans	-	-	-	-	-	-
Payment of Interfund Loans	-	-	-	-	-	37
Net Cash Provided by (Used for) Noncapital Financing Activities	523	-	-	7,150	-	(301)
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Acquisition of Fixed Assets	(897)	-	-	(12,959)	-	(897)
Proceeds from Sale of Fixed Assets	161	-	-	480	-	-
Principal and Interest Payments on Bonds and Notes	-	-	-	-	-	(2,295)
Net Cash Used for Capital and Related Financing Activities	(736)	-	-	(12,479)	-	(3,192)
<b>Cash Flows from Investing Activities:</b>						
Purchase of Investments	-	-	-	-	(499)	-
Proceeds from Sales or Maturities of Investments	-	-	-	-	9,823	-
Proceeds from Securities Lending Transactions	-	-	-	-	178	-
Interest and Dividends on Investments	-	-	-	-	1,734	-
Payment of Securities Lending Costs	-	-	-	-	(169)	-
Net Cash Provided by (Used for) Investing Activities	-	-	-	-	11,067	-
Net Increase (Decrease) in Cash and Cash Equivalents	(41)	29	9	(1,208)	5,729	(1,068)
Cash and Cash Equivalents, July 1	176	27	11	1,561	2,363	1,283
Cash and Cash Equivalents, June 30	\$ 135	\$ 56	\$ 20	\$ 353	\$ 8,092	\$ 215



MUS Group Insurance	Admin. Insurance	Motor Pool	Admin. Supply	Publications & Graphics	Buildings & Grounds	Labor Central Services	Commerce Central Services	OPI Central Services	DEQ Indirect Cost Pool
\$ 28,525	\$ 6,566	\$ 3,549	\$ 4,980	\$ 5,559	\$ 5,842	\$ 547	\$ 2,985	\$ 760	\$ 1,500
(4,099)	(3,402)	(1,203)	(4,367)	(4,721)	(4,830)	(214)	(772)	(565)	(767)
(141)	(575)	(191)	(341)	(781)	(1,068)	(1,204)	(2,299)	(881)	(1,746)
-	-	-	-	-	-	1,049	110	615	1,111
(25,534)	(3,335)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	2	-
26	48	1	-	-	-	-	-	-	-
(1,223)	(698)	2,156	272	57	(56)	178	24	(69)	98
-	-	(2,892)	-	-	-	-	-	-	-
-	-	2,140	-	-	-	-	-	-	-
-	(357)	-	-	-	(36)	-	-	-	-
-	20	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
400	-	815	-	-	-	-	-	-	-
(400)	(60)	(616)	-	-	-	97	-	-	-
-	(397)	(553)	-	-	(36)	97	-	-	-
-	-	(2,140)	-	(94)	(10)	-	(1)	-	-
-	-	209	-	-	-	(28)	1	-	(39)
-	-	-	-	(14)	-	-	-	-	-
-	-	(1,931)	-	(108)	(10)	(28)	-	-	(39)
-	(16)	-	-	-	-	-	-	-	-
-	1,700	-	-	-	-	-	-	-	-
4	20	-	-	-	-	-	-	-	-
470	241	-	-	-	-	-	-	-	-
(3)	(20)	-	-	-	-	-	-	-	-
471	1,925	-	-	-	-	-	-	-	-
(752)	830	(328)	272	(51)	(102)	247	24	(69)	59
8,735	379	397	67	361	774	299	573	224	400
\$ 7,983	\$ 1,209	\$ 69	\$ 339	\$ 310	\$ 672	\$ 546	\$ 597	\$ 155	\$ 459

(Continued on Next Page)

STATE OF MONTANA  
**COMBINING STATEMENT OF CASH FLOWS - Continued**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Mail & Messenger	Payroll Processing	Warrant Processing	Investment Division	Aircraft Operation	Justice Legal Services
<b>Cash Flows from Operating Activities:</b>						
Receipts from Sales and Services	\$ 3,100	\$ 310	\$ 734	\$ 2,030	\$ 748	\$ 1,092
Payments to Suppliers for Goods and Services	(2,753)	(126)	(590)	(657)	(750)	(245)
Payments to Employees	(455)	(229)	(138)	(1,527)	(264)	(794)
Grant Receipts	-	2	-	-	-	1
Cash Payments for Claims	-	-	-	-	-	-
Collections of Payroll Taxes	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Net Cash Provided by (Used for) Operating Activities	(108)	(43)	6	(154)	(266)	54
<b>Cash Flows from Noncapital Financing Activities:</b>						
Payment of Principal and Interest on Bonds and Notes	-	-	-	-	-	-
Proceeds from Issuance of Bonds and Notes	-	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-	-
Transfers from Other Funds	-	-	-	-	355	-
Contributed Capital Transfers from Other Funds	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-
Cash Payments for Loans	-	-	(7)	-	-	-
Proceeds from Interfund Loans	-	-	-	-	-	(140)
Payment of Interfund Loans	-	-	-	-	-	100
Net Cash Provided by (Used for) Noncapital Financing Activities	-	-	(7)	-	355	(40)
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Acquisition of Fixed Assets	(34)	-	-	-	-	-
Proceeds from Sale of Fixed Assets	-	-	1	-	-	-
Principal and Interest Payments on Bonds and Notes	(66)	-	-	-	-	(1)
Net Cash Used for Capital and Related Financing Activities	(100)	-	1	-	-	(1)
<b>Cash Flows from Investing Activities:</b>						
Purchase of Investments	-	-	-	-	-	-
Proceeds from Sales or Maturities of Investments	-	-	-	-	-	-
Proceeds from Securities Lending Transactions	-	-	-	-	-	-
Interest and Dividends on Investments	-	-	-	-	-	-
Payment of Securities Lending Costs	-	-	-	-	-	-
Net Cash Provided by (Used for) Investing Activities	-	-	-	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(208)	(43)	-	(154)	89	13
Cash and Cash Equivalents, July 1	348	100	4	349	170	113
Cash and Cash Equivalents, June 30	\$ 140	\$ 57	\$ 4	\$ 195	\$ 259	\$ 126

Admin. Legal Services	Personnel Training	Records Management	Debt Collection/ CSC	Local Government Admin.	Statewide Fueling Network	Natural Gas Procurement	Admin. DP Unit	Procurement Card Purchases	Total
\$ 91	\$ 260	\$ 530	\$ 6,085	\$ 144	\$ 23	\$ -	\$ 117	\$ 15	\$ 181,469
(8)	(94)	(270)	(2,509)	(16)	(21)	(4)	(15)	(7)	(60,594)
(89)	(136)	(296)	(4,413)	(129)	-	-	(98)	-	(31,921)
-	-	-	-	-	-	-	-	-	2,891
-	-	-	-	-	-	-	-	-	(91,474)
-	-	-	-	-	-	-	-	-	2
-	-	-	-	-	-	-	-	-	433
(6)	30	(36)	(837)	(1)	2	(4)	4	8	806
-	-	-	-	-	-	-	-	-	(2,892)
-	-	-	-	-	-	-	-	-	2,140
-	-	-	(344)	-	-	-	-	-	(1,075)
-	-	-	2,812	-	-	-	-	-	3,410
-	-	-	-	-	-	-	-	-	7,150
-	-	190	-	-	-	-	-	-	490
-	(20)	-	-	-	-	-	-	-	(27)
-	-	(90)	(1,342)	-	-	-	-	-	(357)
-	-	-	-	-	-	-	-	-	(842)
-	(20)	100	1,126	-	-	-	-	-	7,997
-	-	-	-	-	-	-	-	-	(17,032)
-	-	-	-	-	-	-	-	-	785
-	-	-	-	-	-	-	-	-	(2,376)
-	-	-	-	-	-	-	-	-	(18,623)
-	-	-	-	-	-	-	-	-	(515)
-	-	-	-	-	-	-	-	-	11,523
-	-	-	-	-	-	-	-	-	202
-	-	-	-	-	-	-	-	-	2,445
-	-	-	-	-	-	-	-	-	(192)
-	-	-	-	-	-	-	-	-	13,463
(6)	10	64	289	(1)	2	(4)	4	8	3,643
6	3	75	360	1	7	4	5	4	19,179
\$ -	\$ 13	\$ 139	\$ 649	\$ -	\$ 9	\$ -	\$ 9	\$ 12	\$ 22,822

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STATE OF MONTANA  
**COMBINING STATEMENT OF CASH FLOWS - Continued**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	FWP Equipment	FWP Warehouse Inventory	FWP Office Supply	Highway Equipment	Employee Group Benefits	Information Services Division
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>						
Operating Income (Loss)	\$ (728)	\$ 12	\$ (1)	\$ (825)	\$ (5,058)	\$ 272
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:</b>						
Depreciation	991	-	4	4,817	3	2,293
Amortization	-	-	-	-	-	-
Interest on Investments	-	-	-	-	(2,509)	-
Federal Indirect Cost Recoveries	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	186
Securities Lending Expense	-	-	-	-	169	-
Securities Lending Income	-	-	-	-	(180)	-
Change in Assets and Liabilities:						
Decr (Incr) in Accounts Receivable	(4)	-	-	29	86	549
Decr (Incr) in Due from Other Governments	(8)	-	-	(2)	-	-
Decr (Incr) in Due from Other Funds	(17)	-	1	(4)	(161)	391
Decr (Incr) in Due from Component Units	(1)	-	-	-	-	(432)
Decr (Incr) in Inventories	-	18	2	-	-	-
Decr (Incr) in Intangible Assets	-	-	-	-	-	-
Decr (Incr) in Other Assets	-	-	-	-	-	(2)
Incr (Decr) in Accounts Payable	(59)	(1)	1	66	2,171	(627)
Incr (Decr) in Due to Other Funds	(1)	-	2	7	40	(66)
Incr (Decr) in Due to Component Units	-	-	-	-	-	(1)
Incr (Decr) in Deferred Revenue	-	-	-	-	-	(140)
Incr (Decr) in Property Held in Trust	-	-	-	-	-	2
Incr (Decr) in Compensated Absences Payable	(1)	-	-	33	-	-
Incr (Decr) in Estimated Claims	-	-	-	-	101	-
Incr (Decr) in Other Liabilities	-	-	-	-	-	-
Net Cash Provided by (Used for) Operating Activities	\$ 172	\$ 29	\$ 9	\$ 4,121	\$ (5,338)	\$ 2,425
<b>Schedule of Noncash Transactions:</b>						
Fixed Asset Acquisitions from Capital Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,971
Asset Acquisitions from Contributed Capital Transfers from Other Funds	-	-	-	7,150	-	-
Total Noncash Transactions	\$ -	\$ -	\$ -	\$ 7,150	\$ -	\$ 1,971

MUS Group Insurance	Admin. Insurance	Motor Pool	Admin. Supply	Publications & Graphics	Buildings & Grounds	Labor Central Services	Commerce Central Services	OPI Central Services	DEQ Indirect Cost Pool
\$ 127	\$ (470)	\$ 266	\$ 421	\$ (150)	\$ (203)	\$ (1,104)	\$ (114)	\$ (652)	\$ (1,075)
-	1	1,545	5	126	26	20	16	-	37
-	-	-	-	-	-	-	-	-	-
(501)	(217)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	972	110	686	1,043
-	-	463	-	4	-	-	-	-	-
3	13	-	-	-	-	-	-	-	-
(4)	(13)	-	-	-	-	-	-	-	-
(22)	-	(3)	(53)	(1)	(1)	(1)	(1)	-	-
-	-	-	-	-	-	-	-	-	-
(3)	51	(73)	(221)	25	24	534	6	(110)	127
(222)	(3)	1	19	(6)	-	4	(3)	5	5
-	-	-	108	(34)	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	6	-	-	-	1	-	-
(652)	(17)	(30)	(22)	72	58	153	2	1	(57)
1	47	(15)	3	12	30	(104)	21	(19)	(6)
(8)	4	-	1	-	-	2	3	-	1
(50)	-	-	-	-	-	-	-	-	-
-	-	-	-	-	(1)	-	(23)	-	-
-	19	2	5	9	11	(23)	17	20	23
108	(113)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(275)	(11)	-	-
<u>\$ (1,223)</u>	<u>\$ (698)</u>	<u>\$ 2,156</u>	<u>\$ 272</u>	<u>\$ 57</u>	<u>\$ (56)</u>	<u>\$ 178</u>	<u>\$ 24</u>	<u>\$ (69)</u>	<u>\$ 98</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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STATE OF MONTANA  
**COMBINING STATEMENT OF CASH FLOWS - Continued**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Mail & Messenger	Payroll Processing	Warrant Processing	Investment Division	Aircraft Operation	Justice Legal Services
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>						
Operating Income (Loss)	\$ (68)	\$ (44)	\$ (37)	\$ (175)	\$ (271)	\$ 30
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:</b>						
Depreciation	63	-	7	8	1	-
Amortization	-	-	-	-	-	-
Interest on Investments	-	-	-	-	-	-
Federal Indirect Cost Recoveries	-	-	-	-	-	-
Interest Expense	2	-	-	-	-	1
Securities Lending Expense	-	-	-	-	-	-
Securities Lending Income	-	-	-	-	-	-
Change in Assets and Liabilities:						
Decr (Incr) in Accounts Receivable	(3)	-	-	-	3	-
Decr (Incr) in Due from Other Governments	-	-	-	-	-	-
Decr (Incr) in Due from Other Funds	(84)	-	(3)	(11)	(14)	40
Decr (Incr) in Due from Component Units	(7)	-	2	(26)	-	(5)
Decr (Incr) in inventories	-	-	-	-	-	-
Decr (Incr) in Intangible Assets	2	-	-	-	-	-
Decr (Incr) in Other Assets	(115)	(4)	-	1	-	-
Incr (Decr) in Accounts Payable	98	-	(8)	6	12	-
Incr (Decr) in Due to Other Funds	3	(1)	44	43	5	(15)
Incr (Decr) in Due to Component Units	-	-	-	(1)	-	-
Incr (Decr) in Deferred Revenue	-	-	-	-	-	-
Incr (Decr) in Property Held in Trust	-	-	-	-	-	-
Incr (Decr) in Compensated Absences Payable	1	6	1	1	(2)	3
Incr (Decr) in Estimated Claims	-	-	-	-	-	-
Incr (Decr) in Other Liabilities	-	-	-	-	-	-
Net Cash Provided by (Used for) Operating Activities	\$ (108)	\$ (43)	\$ 6	\$ (154)	\$ (266)	\$ 54
<b>Schedule of Noncash Transactions:</b>						
Fixed Asset Acquisitions from Capital Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asset Acquisitions from Contributed	-	-	-	-	-	-
Capital Transfers from Other Funds	-	-	-	-	-	-
Total Noncash Transactions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Admin. Legal Services	Personnel Training	Records Management	Debt Collection/ CSC	Local Government Admin.	Statewide Fueling Network	Natural Gas Procurement	Admin. DP Unit	Procurement Card Purchases	Total
\$ (9)	\$ 77	\$ (14)	\$ (1,129)	\$ (4)	\$ 1	\$ (4)	\$ 4	\$ 9	\$ (10,916)
-	-	7	69	-	-	-	2	-	10,041
-	-	-	22	-	-	-	-	-	22
-	-	-	-	-	-	-	-	-	(3,227)
-	-	-	-	-	-	-	-	-	2,811
-	-	-	-	-	-	-	-	-	656
-	-	-	-	-	-	-	-	-	185
-	-	-	-	-	-	-	-	-	(197)
-	(8)	27	370	-	-	-	-	-	967
-	-	-	-	-	-	-	-	-	(10)
-	(42)	(3)	(321)	1	-	-	1	-	134
-	-	(6)	-	-	-	-	-	-	(675)
-	(1)	(9)	-	-	-	-	-	-	84
-	-	-	-	-	-	-	-	-	2
-	(1)	-	-	-	-	-	-	-	(114)
-	(1)	(35)	57	-	-	-	-	-	1,188
-	3	(2)	71	-	1	-	-	(1)	103
-	-	-	-	-	-	-	-	-	1
-	(1)	-	-	-	-	-	-	-	(191)
-	-	-	-	-	-	-	-	-	(22)
3	4	(1)	24	2	-	-	(3)	-	154
-	-	-	-	-	-	-	-	-	96
-	-	-	-	-	-	-	-	-	(286)
<u>\$ (6)</u>	<u>\$ 30</u>	<u>\$ (36)</u>	<u>\$ (837)</u>	<u>\$ (1)</u>	<u>\$ 2</u>	<u>\$ (4)</u>	<u>\$ 4</u>	<u>\$ 8</u>	<u>\$ 806</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,971
-	-	-	-	-	-	-	-	-	7,150
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,121</u>

# TRUST AND AGENCY FUNDS

Trust and Agency Funds are used to account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (1) Expendable Trust Funds; (2) Nonexpendable Trust Funds; (3) Investment Trust Fund; and (4) Agency Funds.



STATE OF MONTANA  
COMBINING BALANCE SHEET  
ALL TRUST AND AGENCY FUND TYPES  
June 30, 2001  
(Expressed in Thousands)

	Expendable Trusts	Non- expendable Trusts	Investment Trust	Agency	Total
<b>Assets:</b>					
Cash/Cash Equivalents	\$ 191,852	\$ 41,888	\$ 768,240	\$ 101,263	\$ 1,103,243
Receivables (Net)	2,578	14,098	1,157	88,113	105,946
Interfund Loans Receivables	-	-	-	446	446
Due from Component Units	-	300	-	570	870
Due from Other Funds	-	1,573	-	19,586	21,159
Advances to Other Funds	-	-	-	30	30
Equity in Pooled Investments	290	961,580	-	-	961,870
Long-Term Loans Receivable	2,825	1	-	-	2,826
Investments	7,506	175,974	-	-	183,480
Securities Lending Collateral	598	101,611	-	-	102,209
Land	-	51,260	-	-	51,260
Other Assets	-	-	-	18,532	18,532
Other Fixed Assets	-	1	-	-	1
<b>Total Assets</b>	<b>\$ 205,649</b>	<b>\$ 1,348,286</b>	<b>\$ 769,397</b>	<b>\$ 228,540</b>	<b>\$ 2,551,872</b>
<b>Liabilities/Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 110	\$ 4,740	1,157	\$ 8,990	\$ 14,997
Interfund Loans Payable	500	-	-	-	500
Due to Component Units	393	382	-	556	1,331
Due to Other Funds	552	16,231	-	14,244	31,027
Deferred Revenue	-	30	-	-	30
Property Held in Trust	2,830	-	-	202,809	205,639
Securities Lending Liability	598	101,611	-	-	102,209
Other Liabilities	-	-	-	1,941	1,941
<b>Total Liabilities</b>	<b>4,983</b>	<b>122,994</b>	<b>1,157</b>	<b>228,540</b>	<b>357,674</b>
<b>Fund Balances:</b>					
<b>Reserved for:</b>					
Encumbrances	2,315	-	-	-	2,315
Long-Term Loans	2,825	-	-	-	2,825
Trust Principal	-	1,225,292	-	-	1,225,292
Pool Participants	-	-	768,240	-	768,240
Unreserved	195,526	-	-	-	195,526
<b>Total Fund Balances</b>	<b>200,666</b>	<b>1,225,292</b>	<b>768,240</b>	<b>-</b>	<b>2,194,198</b>
<b>Total Liabilities/Fund Balances</b>	<b>\$ 205,649</b>	<b>\$ 1,348,286</b>	<b>\$ 769,397</b>	<b>\$ 228,540</b>	<b>\$ 2,551,872</b>

# EXPENDABLE TRUST FUNDS

**Expendable Trust Funds** are used to account for assets held by the State in a trustee capacity, where both the trust principal and earnings may be expended. A brief description of each Expendable Trust Fund follows:

**Unemployment Insurance** - This fund accounts for employer contributions deposited with the Secretary of the Treasury of the United States to the credit of Montana's unemployment trust fund. Unemployment benefits are paid from this fund to eligible recipients. Administrative costs are paid from a Special Revenue Fund.

**Wildlife Mitigation** - This fund accounts for resources received and expended for wildlife mitigation projects.

**Rural Development** - This fund accounts for programs authorized under the Bankhead Jones Farm Tenant Act. Resources are used by the Department of Agriculture under a federal use agreement for the purpose of aiding low-income rural families.

**Research and Commercialization Trust** - A portion of the Coal Producers License Tax is deposited in this fund to be used for loans or matching funds for grants from non-state sources that are to be used for projects conducted at research and commercialization centers in Montana.

**Rail Construction** - This fund accounts for principal and interest amounts used to provide loans or grants in accordance with the Federal Rail Administration guidelines for new rail rehabilitation projects in Montana.

**Escheated Property** - This fund accounts for property that has reverted to the State due to the absence of legal claimants or heirs.

**Labor & Industry (L & I) Compensation Insurance** - This fund accounts for the proceeds from liquidated security bonds held on deposit from self-insured employers and other insurance companies in lieu of participating in the State Compensation Insurance. Administrative costs of operating the fund are paid from a Special Revenue Fund.

**Historical Society General Trust** - Deposits of the principal amounts of various stocks donated by numerous contributors in trust to the Society and the Charles Bair Memorial are accounted for in this fund. The principal can be expended for acquisitions approved by the Board of Trustees.

**Woodville Highway Replacement** - This fund accounts for money paid to the Montana Department of Transportation by the Anaconda Company to provide the government of Butte-Silver Bow with traffic facilities to replace the abandoned portion of U.S. Highway 91.

**Haynes Trust** - This fund accounts for principal and interest earnings for conservation and restoration of items in the Haynes collection donated to the society.

**State Library Trust** - This fund accounts for principal and interest earnings for donations to the State Library for its talking book library.

**Cisco Academies** - The trust distributes funds to support the ongoing needs of regional and local academies to train students in information technology skills.

**Tobacco Settlement** – This fund contains two-fifths of any tobacco settlement proceeds plus ten percent of any investment earnings. The principal can be expended by a vote of two-thirds of the members of each house of the Legislature.

**STATE OF MONTANA  
COMBINING BALANCE SHEET  
EXPENDABLE TRUST FUNDS**

June 30, 2001

(Expressed in Thousands)

	Unemployment Insurance	Wildlife Mitigation	Rural Development	Research & Commercialization Trust
<b>Assets:</b>				
Cash/Cash Equivalents	\$ 176,418	\$ 6,435	\$ 1,650	\$ 1,867
Receivables (Net)	2,373	137	68	-
Equity in Pooled Investments	-	-	-	-
Long-Term Loans/Notes Receivable	-	-	1,732	-
Investments	-	7,506	-	-
Securities Lending Collateral	-	598	-	-
<b>Total Assets</b>	<b>\$ 178,791</b>	<b>\$ 14,676</b>	<b>\$ 3,450</b>	<b>\$ 1,867</b>
<b>Liabilities/Fund Balances:</b>				
Liabilities:				
Accounts Payable	\$ 55	\$ 10	\$ -	\$ 42
Interfund Loans Payable	500	-	-	-
Due to Component Units	-	-	-	393
Due to Other Funds	328	10	4	-
Property Held in Trust	331	41	-	-
Securities Lending Liability	-	598	-	-
<b>Total Liabilities</b>	<b>1,214</b>	<b>659</b>	<b>4</b>	<b>435</b>
Fund Balances:				
Reserved for Encumbrances	-	-	3	2,312
Reserved for Long-Term Loans	-	-	1,732	-
Unreserved	177,577	14,017	1,711	(880)
<b>Total Fund Balances</b>	<b>177,577</b>	<b>14,017</b>	<b>3,446</b>	<b>1,432</b>
<b>Total Liabilities/Fund Balances</b>	<b>\$ 178,791</b>	<b>\$ 14,676</b>	<b>\$ 3,450</b>	<b>\$ 1,867</b>

	Rail Construction	Escheated Property	Labor & Industry Compensation Insurance	Historical Society General Trust	Woodville Highway Replacement	Haynes Trust	State Library Trust
\$	418	\$ 3,642	\$ 795	\$ 264	\$ 143	\$ 23	\$ 106
	-	-	-	-	-	-	-
	-	-	-	290	-	-	-
	1,093	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	1,511	\$ 3,642	\$ 795	\$ 554	\$ 143	\$ 23	\$ 106
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	-	\$ 2	\$ -	\$ 1	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	210	-	-	-	-	-
	-	2,419	39	-	-	-	-
	-	-	-	-	-	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	2,631	39	1	-	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-	-	-	-
	1,093	-	-	-	-	-	-
	418	1,011	756	553	143	23	106
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,511	1,011	756	553	143	23	106
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	1,511	\$ 3,642	\$ 795	\$ 554	\$ 143	\$ 23	\$ 106

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**STATE OF MONTANA**  
**COMBINING BALANCE SHEET - Continued**  
**EXPENDABLE TRUST FUNDS**  
June 30, 2001  
(Expressed in Thousands)

	Cisco Academies	Tobacco Settlement	Total
<b>Assets:</b>			
Cash/Cash Equivalents	\$ 20	\$ 71	\$ 191,852
Receivables (Net)	-	-	2,578
Equity in Pooled Investments	-	-	290
Long-Term Loans/Notes Receivable	-	-	2,825
Investments	-	-	7,506
Securities Lending Collateral	-	-	598
<b>Total Assets</b>	<b>\$ 20</b>	<b>\$ 71</b>	<b>\$ 205,649</b>
<b>Liabilities/Fund Balances:</b>			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ 110
Interfund Loans Payable	-	-	500
Due to Component Units	-	-	393
Due to Other Funds	-	-	552
Property Held in Trust	-	-	2,830
Securities Lending Liability	-	-	598
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>4,983</b>
Fund Balances:			
Reserved for Encumbrances	-	-	2,315
Reserved for Long-Term Loans	-	-	2,825
Unreserved	20	71	195,526
<b>Total Fund Balances</b>	<b>20</b>	<b>71</b>	<b>200,666</b>
<b>Total Liabilities/Fund Balances</b>	<b>\$ 20</b>	<b>\$ 71</b>	<b>\$ 205,649</b>

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**EXPENDABLE TRUST FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Unemployment Insurance	Wildlife Mitigation	Rural Development	Research & Commercialization Trust	Rail Construction
<b>Revenues:</b>					
Investment Earnings	\$ 11,799	\$ 1,334	\$ 287	\$ 20	\$ 38
Securities Lending Income	-	56	1	-	-
Sale Of Documents/Merchandise/Property	-	-	-	-	-
Contributions/Premiums	57,289	-	-	-	-
Grants/Contracts/Donations	-	5	5	-	-
Federal	3,937	-	-	-	-
<b>Total Revenues</b>	<b>73,025</b>	<b>1,395</b>	<b>293</b>	<b>20</b>	<b>38</b>
<b>Expenditures:</b>					
Current:					
General Government	23	-	-	-	-
Transportation	-	-	-	-	267
Education/Cultural	-	-	-	-	-
Resource Development/Recreation	-	414	-	-	-
Economic Development/Assistance	67,377	-	141	938	-
Capital Outlay	-	3,072	-	-	-
Securities Lending	-	52	1	-	-
<b>Total Expenditures</b>	<b>67,400</b>	<b>3,538</b>	<b>142</b>	<b>938</b>	<b>267</b>
Excess of Revenues Over (Under) Expenditures	5,625	(2,143)	151	(918)	(229)
<b>Other Financing Sources (Uses):</b>					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	(76)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(76)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	5,625	(2,219)	151	(918)	(229)
Fund Balances - July 1 - As Previously Reported	171,846	16,236	3,295	2,350	1,740
Prior Period Adjustments	106	-	-	-	-
<b>Fund Balances - July 1 - As Restated</b>	<b>171,952</b>	<b>16,236</b>	<b>3,295</b>	<b>2,350</b>	<b>1,740</b>
<b>Fund Balances - June 30</b>	<b>\$ 177,577</b>	<b>\$ 14,017</b>	<b>\$ 3,446</b>	<b>\$ 1,432</b>	<b>\$ 1,511</b>



Escheated Property	Labor & Industry Compensation Insurance	Historical Society General Trust	Woodville Highway Replacement	Haynes Trust	State Library Trust	Cisco Academies	Tobacco Settlement	Total
\$ 13	\$ 48	\$ (34)	\$ 10	\$ 2	\$ 5	\$ 4	\$ -	\$ 13,526
-	-	-	-	-	-	-	-	57
42	-	-	-	-	-	-	-	42
-	-	-	-	-	-	-	-	57,289
556	-	-	-	-	6	112	-	684
-	-	-	-	-	-	-	-	3,937
611	48	(34)	10	2	11	116	-	75,535
-	-	-	-	-	-	140	-	163
-	-	-	34	-	-	-	-	301
-	-	56	-	-	-	-	-	56
-	-	-	-	-	-	-	-	414
-	8	-	-	-	-	-	-	68,464
-	-	28	-	-	-	-	-	3,100
-	-	-	-	-	-	-	-	53
-	8	84	34	-	-	140	-	72,551
611	40	(118)	(24)	2	11	(24)	-	2,984
-	-	-	-	-	-	-	71	71
(544)	-	-	-	-	-	-	-	(620)
(544)	-	-	-	-	-	-	71	(549)
67	40	(118)	(24)	2	11	(24)	71	2,435
1,894	716	680	167	21	71	44	-	199,060
(950)	-	(9)	-	-	24	-	-	(829)
944	716	671	167	21	95	44	-	198,231
\$ 1,011	\$ 756	\$ 553	\$ 143	\$ 23	\$ 106	\$ 20	\$ 71	\$ 200,666

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# NONEXPENDABLE TRUST FUNDS

**Nonexpendable Trust Funds** are used to account for assets held by the State in a trustee capacity, where the trust principal may not be expended. A brief description of each Nonexpendable Trust Fund follows:

**Coal Tax Trust** - This fund, created by Article IX, Section 5, of the Montana Constitution and administered by the Department of Revenue, receives 50% of all coal tax collections. The principal can be expended only upon affirmative vote by three-fourths of each house of the Legislature.

**Land Grants** - The Department of Natural Resources and Conservation accounts for lands granted to the State for support of public schools and State institutions in this fund.

**Resource Indemnity** - Taxes paid by persons engaging in or carrying on the business of mining, extracting or producing minerals are deposited in this fund. Only the net earnings of the trust may be appropriated until the principal reaches \$100 million. Interest earnings are expended from a Special Revenue Fund. This fund is administered by the Department of Revenue.

**Parks Trust and Cultural Trust** - A portion of the coal severance taxes are credited to these funds by the Department of Revenue. Income from the trusts shall be used for the acquisition and maintenance of State parks and historical sites by the Department of Fish, Wildlife and Parks and for the protection of works of art in the State Capitol and other cultural projects through the Montana Arts Council.

**Real Property Trust** - Money received by the Department of Fish, Wildlife and Parks from the sale of real property, from the exploration and development of oil, gas and mineral deposits and from the lease of department real property is deposited in this fund. Interest is recorded in a Special Revenue Fund and used for developing and maintaining real property of the department.

**Noxious Weed Management** - The Department of Agriculture accounts for revenues and interest earned on fees charged for the control of noxious weeds in this fund.

**Moore Sipple Connector** - Money is held in trust to provide funds for the restructuring of the Geraldine-Lewistown Line.

**Historical Society Acquisitions** - Four funds (Jim Bradley Memorial, Thomas Teakle, Merritt-Wheeler and Historical Society Acquisitions) account for memorials, bequests and various other contributions to the Montana Historical Society. Investment income is either expended from the State Special Revenue Fund, an Expendable Trust Fund or added to the principal.

**Endowment for Children** - The fund provides services and activities related to a broad range of child abuse and neglect prevention activities operated by non-profit or public community educational and service organizations.

**Tobacco Settlement Interest** - This fund holds interest earned by investing the Tobacco Settlement Fund (expendable trust fund).

**STATE OF MONTANA  
COMBINING BALANCE SHEET  
NONEXPENDABLE TRUST FUNDS**

June 30, 2001

(Expressed in Thousands)

	Coal Tax Trust	Land Grants	Resource Indemnity	Parks Trust	Cultural Trust
<b>Assets:</b>					
Cash/Cash Equivalents	\$ 28,014	\$ 8,040	\$ 1,557	\$ 177	\$ 29
Receivables (Net)	7,488	4,842	1,237	190	73
Due from Component Units	300	-	-	-	-
Due from Other Funds	308	1,111	-	-	-
Equity in Pooled Investments	466,972	363,376	100,685	15,040	4,153
Long-Term Loans/Notes Receivable	-	1	-	-	-
Investments	164,625	-	-	-	-
Securities Lending Collateral	48,435	37,690	10,443	1,560	431
Land	-	51,260	-	-	-
Other Fixed Assets	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 716,142</b>	<b>\$ 466,320</b>	<b>\$ 113,922</b>	<b>\$ 16,967</b>	<b>\$ 4,686</b>
<b>Liabilities/Fund Balances:</b>					
Liabilities:					
Accounts Payable	\$ -	\$ 4,731	\$ -	\$ -	\$ -
Due to Other Funds	6,089	7,963	1,278	92	27
Due to Component Units	-	382	-	-	-
Deferred Revenue	-	-	30	-	-
Securities Lending Liability	48,435	37,690	10,443	1,560	431
<b>Total Liabilities</b>	<b>54,524</b>	<b>50,766</b>	<b>11,751</b>	<b>1,652</b>	<b>458</b>
Fund Balances:					
Reserved for Trust Principal	661,618	415,554	102,171	15,315	4,228
<b>Total Fund Balances</b>	<b>661,618</b>	<b>415,554</b>	<b>102,171</b>	<b>15,315</b>	<b>4,228</b>
<b>Total Liabilities/Fund Balances</b>	<b>\$ 716,142</b>	<b>\$ 466,320</b>	<b>\$ 113,922</b>	<b>\$ 16,967</b>	<b>\$ 4,686</b>

Real Property Trust	Noxious Weed Management	Moore Sipple Connector	Jim Bradley Memorial	Thomas Teakle	Merritt- Wheeler Memorial
\$ 1,930	\$ 1,512	\$ 240	\$ 27	\$ 36	\$ 29
127	70	1	-	-	-
-	-	-	-	-	-
25	129	-	-	-	-
-	-	-	400	344	77
-	-	-	-	-	-
7,577	3,772	-	-	-	-
1,545	419	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 11,204</u>	<u>\$ 5,902</u>	<u>\$ 241</u>	<u>\$ 427</u>	<u>\$ 380</u>	<u>\$ 106</u>
\$ 7	\$ 2	\$ -	\$ -	\$ -	\$ -
60	721	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,545	419	-	-	-	-
<u>1,612</u>	<u>1,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,592	4,760	241	427	380	106
<u>9,592</u>	<u>4,760</u>	<u>241</u>	<u>427</u>	<u>380</u>	<u>106</u>
<u>\$ 11,204</u>	<u>\$ 5,902</u>	<u>\$ 241</u>	<u>\$ 427</u>	<u>\$ 380</u>	<u>\$ 106</u>

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**STATE OF MONTANA**  
**COMBINING BALANCE SHEET - Continued**  
**NONEXPENDABLE TRUST FUNDS**  
June 30, 2001  
(Expressed in Thousands)

	Historical Society Acquisitions	Endowment for Children	Tobacco Settlement Interest	Total
<b>Assets:</b>				
Cash/Cash Equivalents	\$ 47	\$ 1	\$ 249	\$ 41,888
Receivables (Net)	-	-	70	14,098
Due from Component Units	-	-	-	300
Due from Other Funds	-	-	-	1,573
Equity in Pooled Investments	47	-	10,486	961,580
Long-Term Loans/Notes Receivable	-	-	-	1
Investments	-	-	-	175,974
Securities Lending Collateral	-	-	1,088	101,611
Land	-	-	-	51,260
Other Fixed Assets	1	-	-	1
<b>Total Assets</b>	<b>\$ 95</b>	<b>\$ 1</b>	<b>\$ 11,893</b>	<b>\$ 1,348,286</b>
<b>Liabilities/Fund Balances:</b>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ 4,740
Due to Other Funds	1	-	-	16,231
Due to Component Units	-	-	-	382
Deferred Revenue	-	-	-	30
Securities Lending Liability	-	-	1,088	101,611
<b>Total Liabilities</b>	<b>1</b>	<b>-</b>	<b>1,088</b>	<b>122,994</b>
Fund Balances:				
Reserved for Trust Principal	94	1	10,805	1,225,292
<b>Total Fund Balances</b>	<b>94</b>	<b>1</b>	<b>10,805</b>	<b>1,225,292</b>
<b>Total Liabilities/Fund Balances</b>	<b>\$ 95</b>	<b>\$ 1</b>	<b>\$ 11,893</b>	<b>\$ 1,348,286</b>

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES**  
**NONEXPENDABLE TRUST FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Coal Tax Trust	Land Grants	Resource Indemnity	Parks Trust	Cultural Trust
<b>Operating Revenues:</b>					
Charges for Services	\$ -	\$ 6,017	\$ -	\$ -	\$ -
Investment Earnings	65,651	42,495	11,680	1,728	449
Securities Lending Income	3,501	2,594	724	107	28
Grants/Contracts/Donations	-	-	-	-	-
Taxes	15,279	-	2,338	388	242
Rentals/Leases/Royalties	-	35,657	-	-	-
<b>Total Operating Revenues</b>	<b>84,431</b>	<b>86,763</b>	<b>14,742</b>	<b>2,223</b>	<b>719</b>
<b>Operating Expenses:</b>					
Contractual Services	-	-	-	-	-
Grants	-	-	-	-	-
Securities Lending Expense	3,412	2,528	705	104	28
Other Operating Expenses	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>3,412</b>	<b>2,528</b>	<b>705</b>	<b>104</b>	<b>28</b>
Income (Loss) Before Operating Transfers	81,019	84,235	14,037	2,119	691
Operating Transfers In	300	216	-	-	-
Operating Transfers Out	(39,291)	(54,503)	(5,817)	(984)	(310)
Operating Transfers to Component Units	-	(2,607)	-	-	-
<b>Net Income (Loss)</b>	<b>42,028</b>	<b>27,341</b>	<b>8,220</b>	<b>1,135</b>	<b>381</b>
Fund Balances - July 1 -					
As Previously Reported	623,212	388,213	95,440	14,180	3,847
Prior Period Adjustments	(3,622)	-	(1,489)	-	-
<b>Fund Balances - July 1 - As Restated</b>	<b>619,590</b>	<b>388,213</b>	<b>93,951</b>	<b>14,180</b>	<b>3,847</b>
<b>Fund Balances - June 30</b>	<b>\$ 661,618</b>	<b>\$ 415,554</b>	<b>\$ 102,171</b>	<b>\$ 15,315</b>	<b>\$ 4,228</b>



Real Property Trust	Noxious Weed Management	Moore Sipple Connector	Jim Bradley Memorial	Thomas Teakle	Merritt- Wheeler Memorial
\$ 290	\$ -	\$ -	\$ -	\$ -	\$ -
910	576	15	(70)	(59)	(13)
131	55	-	-	-	-
-	-	-	-	-	-
-	34	-	-	-	-
127	-	-	-	-	-
1,458	665	15	(70)	(59)	(13)
-	-	-	-	-	-
-	-	16	-	-	-
125	51	-	-	1	-
-	-	-	2	-	-
125	51	16	2	1	-
1,333	614	(1)	(72)	(60)	(13)
-	1,125	-	-	-	-
(546)	(611)	-	-	(1)	-
-	-	-	-	-	-
787	1,128	(1)	(72)	(61)	(13)
8,805	3,632	242	499	441	119
-	-	-	-	-	-
8,805	3,632	242	499	441	119
\$ 9,592	\$ 4,760	\$ 241	\$ 427	\$ 380	\$ 106

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES - Continued**  
**NONEXPENDABLE TRUST FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Historical Society Acquisitions	Endowment for Children	Tobacco Settlement Interest	Total
<b>Operating Revenues:</b>				
Charges for Services	\$ -	\$ -	\$ -	\$ 6,307
Investment Earnings	(7)	-	225	123,580
Securities Lending Income	-	-	19	7,159
Grants/Contracts/Donations	23	-	-	23
Taxes	-	-	-	18,281
Rentals/Leases/Royalties	-	-	10,651	46,435
<b>Total Operating Revenues</b>	<b>16</b>	<b>-</b>	<b>10,895</b>	<b>201,785</b>
<b>Operating Expenses:</b>				
Contractual Services	7	-	-	7
Grants	-	-	-	16
Securities Lending Expense	-	-	19	6,973
Other Operating Expenses	-	-	-	2
<b>Total Operating Expenses</b>	<b>7</b>	<b>-</b>	<b>19</b>	<b>6,998</b>
Income (Loss) Before Operating Transfers	9	-	10,876	194,787
Operating Transfers In	-	-	99	1,740
Operating Transfers Out	-	-	(170)	(102,233)
Operating Transfers to Component Units	-	-	-	(2,607)
<b>Net Income (Loss)</b>	<b>9</b>	<b>-</b>	<b>10,805</b>	<b>91,687</b>
Fund Balances - July 1 -				
As Previously Reported	85	1	-	1,138,716
Prior Period Adjustments	-	-	-	(5,111)
<b>Fund Balances - July 1 - As Restated</b>	<b>85</b>	<b>1</b>	<b>-</b>	<b>1,133,605</b>
<b>Fund Balances - June 30</b>	<b>\$ 94</b>	<b>\$ 1</b>	<b>\$ 10,805</b>	<b>\$ 1,225,292</b>

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONEXPENDABLE TRUST FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	<b>Coal Tax Trust</b>	<b>Land Grants</b>	<b>Resource Indemnity</b>	<b>Parks Trust</b>	<b>Cultural Trust</b>
<b>Cash Flows from Operating Activities:</b>					
Receipts from Sales and Services	\$ -	\$ 6,121	\$ -	\$ -	\$ -
Receipts from Fines/Settlements	-	-	-	-	-
Payments to Suppliers for Goods and Services	-	-	-	-	-
Grant Payments	-	-	-	-	-
Scholarship/Fellowship Payments	-	-	-	-	-
Net Cash Provided by (Used for) Operating Activities	-	6,121	-	-	-
<b>Cash Flows from Noncapital Financing Activities:</b>					
Collection of Taxes	14,556	-	1,791	486	196
Transfers to Other Funds	(45,881)	(53,842)	(5,769)	(982)	(329)
Transfers to Component Units	-	(2,607)	-	-	-
Transfers from Other Funds	(308)	(3,371)	2,595	-	-
Proceeds from Interfund Loans	(5,021)	-	-	-	-
Payment of Interfund Loans	4,942	-	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	(31,712)	(59,820)	(1,383)	(496)	(133)
<b>Cash Flows from Investing Activities:</b>					
Purchase of Investments	(64,452)	(14,999)	(2,500)	(590)	(359)
Proceeds from Sales or Maturities of Investments	47,198	-	-	-	-
Proceeds from Securities Lending Transactions	3,501	2,594	724	107	28
Interest and Dividends on Investments	46,566	29,070	3,551	979	282
Payment of Securities Lending Costs	(3,412)	(2,528)	(705)	(104)	(28)
Collection of Rents/Leases/Royalties	-	35,711	-	-	-
Net Cash Provided by (Used for) Investing Activities	29,401	49,848	1,070	392	(77)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,311)	(3,851)	(313)	(104)	(210)
Cash and Cash Equivalents, July 1	30,325	11,891	1,870	281	239
Cash and Cash Equivalents, June 30	\$ 28,014	\$ 8,040	\$ 1,557	\$ 177	\$ 29
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>					
Operating Income (Loss)	\$ 81,019	\$ 84,235	\$ 14,037	\$ 2,119	\$ 691
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:</b>					
Taxes	(15,279)	-	(2,338)	(388)	(242)
Securities Lending Expense	3,412	2,528	705	104	28
Interest on Investments	(65,651)	(42,495)	(11,680)	(1,728)	(449)
Securities Lending Income	(3,501)	(2,595)	(724)	(107)	(28)
Rentals/Leases/Royalties	-	(35,657)	-	-	-
Change in Assets and Liabilities: Decr (Incr) in Due from Other Funds	-	105	-	-	-
Net Cash Provided by (Used for) Operating Activities	\$ -	\$ 6,121	\$ -	\$ -	\$ -

Real Property Trust	Noxious Weed Management	Moore Sipple Connector	Jim Bradley Memorial	Thomas Teakle	Merritt- Wheeler Memorial
\$ 290	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	(15)	-	-	-
-	-	-	(3)	-	-
290	-	(15)	(3)	-	-
-	(25)	-	-	-	-
(542)	(402)	-	-	(2)	-
-	-	-	-	-	-
-	1,126	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(542)	699	-	-	(2)	-
(2,883)	(1,750)	-	(22)	(19)	(4)
3,094	485	-	5	4	1
(25)	55	-	-	-	-
707	763	13	34	22	5
(132)	(54)	-	(10)	-	-
127	-	-	-	-	-
888	(501)	13	7	7	2
636	198	(2)	4	5	2
1,294	1,314	242	23	31	27
\$ 1,930	\$ 1,512	\$ 240	\$ 27	\$ 36	\$ 29
\$ 1,333	\$ 614	\$ (1)	\$ (72)	\$ (60)	\$ (13)
-	(35)	-	-	-	-
126	51	-	-	-	-
(910)	(576)	(14)	69	60	13
(131)	(54)	-	-	-	-
(127)	-	-	-	-	-
(1)	-	-	-	-	-
\$ 290	\$ -	\$ (15)	\$ (3)	\$ -	\$ -

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF CASH FLOWS - Continued**  
**NONEXPENDABLE TRUST FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

	Historical Society Acquisitions	Endowment for Children	Tobacco Settlement Interest	Total
<b>Cash Flows from Operating Activities:</b>				
Receipts from Sales and Services	\$ 23	\$ -	\$ -	\$ 6,434
Receipts from Fines/Settlements	-	-	10,651	10,651
Payments to Suppliers for Goods and Services	(7)	-	-	(7)
Grant Payments	-	-	-	(15)
Scholarship/Fellowship Payments	-	-	-	(3)
Net Cash Provided by (Used for)				
Operating Activities	16	-	10,651	17,060
<b>Cash Flows from Noncapital</b>				
<b>Financing Activities:</b>				
Collection of Taxes	-	-	-	17,004
Transfers to Other Funds	-	-	(170)	(107,919)
Transfers to Component Units	-	-	-	(2,607)
Transfers from Other Funds	-	-	99	141
Proceeds from Interfund Loans	-	-	-	(5,021)
Payment of Interfund Loans	-	-	-	4,942
Net Cash Provided by (Used for)				
Noncapital Financing Activities	-	-	(71)	(93,460)
<b>Cash Flows from Investing Activities:</b>				
Purchase of Investments	(2)	-	(10,500)	(98,080)
Proceeds from Sales or Maturities of Investments	2	-	-	50,789
Proceeds from Securities Lending Transactions	-	-	19	7,003
Interest and Dividends on Investments	2	-	169	82,163
Payment of Securities Lending Costs	-	-	(19)	(6,992)
Collection of Rents/Leases/Royalties	-	-	-	35,838
Net Cash Provided by (Used for)				
Investing Activities	2	-	(10,331)	70,721
Net Increase (Decrease) in Cash and Cash Equivalents	18	-	249	(5,679)
Cash and Cash Equivalents, July 1	29	1	-	47,567
Cash and Cash Equivalents, June 30	\$ 47	\$ 1	\$ 249	\$ 41,888
<b>Reconciliation of Operating Income to Net</b>				
<b>Cash Provided by Operating Activities:</b>				
Operating Income (Loss)	\$ 9	\$ -	\$ 10,876	\$ 194,787
<b>Adjustments to Reconcile Operating Income</b>				
<b>to Net Cash Provided by (Used for)</b>				
<b>Operating Activities:</b>				
Taxes	-	-	-	(18,282)
Securities Lending Expense	-	-	19	6,973
Interest on Investments	7	-	(225)	(123,579)
Securities Lending Income	-	-	(19)	(7,159)
Rentals/Leases/Royalties	-	-	-	(35,784)
Change in Assets and Liabilities:				
Decr (Incr) in Due from Other Funds	-	-	-	104
Net Cash Provided by (Used for)				
Operating Activities	\$ 16	\$ -	\$ 10,651	\$ 17,060

# INVESTMENT TRUST FUND

**The Investment Trust Fund is used to account for the investment by local government agencies in the Short Term Investment Pool (STIP), an external investment pool. A brief description of the Investment Trust Fund follows:**

**STIP Trust** - this fund accounts for the receipt of monies by the Montana Board of Investments for investment in STIP and the distribution of related investment earnings to local government agencies.

**STATE OF MONTANA**  
**STATEMENT OF NET ASSETS**  
**INVESTMENT TRUST FUND**  
 June 30, 2001  
 (Expressed in Thousands)

	<u>STIP</u> <u>Trust</u>
<b>Assets:</b>	
Cash/Cash Equivalents	\$ 768,240
Receivables (Net)	1,157
Total Assets	<u>\$ 769,397</u>
<b>Liabilities:</b>	
Accounts Payable	\$ 1,157
Total Liabilities	<u>1,157</u>
Net Assets Held in Trust for Pool Participants	<u>\$ 768,240</u>



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# AGENCY FUNDS

**The Agency Funds are used to account for assets held by the State as an agent for individuals, private organizations, other governments and other funds. A brief description of each Agency Fund follows:**

**Investment Pool** - This fund accounts for idle cash invested on a pooled basis. Investment earnings on State funds are accounted for as revenue in either the fund providing the cash for investment or in the fund from which the earnings will be expended.

**Performance Deposits** - This fund accounts for deposits held by the State pending compliance with performance agreements.

**Central Payroll** - This fund accounts for the accumulation of State employee payroll and withholding by the Department of Administration pending remittance to employees and other appropriate third parties.

**Workers Compensation Securities** - This fund, administered by the Department of Labor and Industry, accounts for surety bonds, converting the bonds into cash to liquidate liabilities as necessary.

**Custodial Accounts** - This fund accounts for moneys belonging to State institution residents, students of the School for the Deaf and Blind, participants in the foster children and protective services programs and balances held by the Office of the Commissioner of Higher Education for remittance, on behalf of eligible employees of the Montana University System, to the TIAA-CREF (Teachers Insurance and Annuity Association - College Retirement Equities Fund) retirement fund.

**Unissued Warrants** - This fund reports the amount of warrants authorized by agency claims but not written or mailed by fiscal year-end.

**Child Support Collections** - This fund accounts for payments from parents under the Child Support Enforcement Program administered by the Department of Public Health and Human Services.

**Unclaimed Property** - This fund accounts for property held by State agencies pending claim by the person entitled thereto. It includes proceeds from the sale of abandoned property, escheated and undistributed estates, stale-dated State warrants and unclaimed wages.

**Intergovernmental** - This fund accounts for resources that flow through State agencies to federal and local governments.

**Uncleared Collections** - This fund accounts for resources held pending distribution to other funds and local governments. Amounts due to other State funds have been recorded as a receivable and revenue in those funds.

**Debt Collection** - This fund accounts for amounts due to the State which have been written off as uncollectible by the receiving agency. The Department of Revenue continues to attempt to collect

amounts owing for a period of time after they are deemed uncollectible by the receiving agency.

**Stock Estray** - This fund accounts for the proceeds derived from the sale of estray animals.

**Land Grant Interest** - This fund accounts for interest and income earnings on nonexpendable trusts administered by the Department of State Lands pending distribution to units of the university system and State institutions.

**Hard Rock Mining Impact** - This fund accounts for payments made by a developer for the increased costs of public services and facilities passed through to counties.

**STATE OF MONTANA**  
**COMBINING BALANCE SHEET**  
**AGENCY FUNDS**  
June 30, 2001  
(Expressed in Thousands)

	Investment Pool	Performance Deposits	Central Payroll	Workers Compensation Securities	Custodial Accounts
<b>Assets:</b>					
Cash/Cash Equivalents	\$ 37,229	\$ 5,312	\$ 10,298	\$ -	\$ 1,408
Receivables (Net)	87,831	57	-	-	1
Interfund Loans Receivable	-	430	-	-	-
Due from Component Units	-	-	-	-	-
Due from Other Funds	-	27	-	-	9
Advances to Other Funds	-	30	-	-	-
Other Assets	-	15,296	-	660	-
<b>Total Assets</b>	<b>\$ 125,060</b>	<b>\$ 21,152</b>	<b>\$ 10,298</b>	<b>\$ 660</b>	<b>\$ 1,418</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 6,419	\$ 62	\$ 1,912	\$ -	\$ 25
Due to Component Units	-	-	-	-	-
Due to Other Funds	55	1,023	622	-	164
Property Held in Trust	118,586	18,125	7,764	660	1,229
Other Liabilities	-	1,942	-	-	-
<b>Total Liabilities</b>	<b>\$ 125,060</b>	<b>\$ 21,152</b>	<b>\$ 10,298</b>	<b>\$ 660</b>	<b>\$ 1,418</b>

Unissued Warrants	Child Support Collections	Unclaimed Property	Inter-governmental	Uncleared Collections	Debt Collection	Total
\$ 14,391	\$ 271	\$ 50	\$ 22,084	\$ 9,896	\$ 324	\$ 101,263
-	208	-	5	-	11	88,113
-	-	-	-	16	-	446
-	9	-	-	561	-	570
-	157	-	-	19,391	2	19,586
-	-	-	-	-	-	30
-	-	-	2,576	-	-	18,532
<b>\$ 14,391</b>	<b>\$ 645</b>	<b>\$ 50</b>	<b>\$ 24,665</b>	<b>\$ 29,864</b>	<b>\$ 337</b>	<b>\$ 228,540</b>
\$ -	\$ -	\$ 4	\$ 76	\$ 487	\$ 5	\$ 8,990
-	-	-	-	530	26	556
-	-	-	-	12,184	196	14,244
14,391	645	46	24,589	16,664	110	202,809
-	-	-	-	(1)	-	1,941
<b>\$ 14,391</b>	<b>\$ 645</b>	<b>\$ 50</b>	<b>\$ 24,665</b>	<b>\$ 29,864</b>	<b>\$ 337</b>	<b>\$ 228,540</b>

**STATE OF MONTANA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**

For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

<b>Fund</b>	<b>Balance June 30, 2000</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2001</b>
<b>Investment Pool:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 87,978	\$ 25,475,545	\$ 25,526,294	\$ 37,229
Receivables (Net)	90,305	426,273	428,747	87,831
Equity in Pooled Investments	-	13,179,650	13,179,650	-
Investments	-	31,065,120	31,065,120	-
Securities Lending Collateral	-	924,371	924,371	-
<b>Total Assets</b>	<b>\$ 178,283</b>	<b>\$ 71,070,959</b>	<b>\$ 71,124,182</b>	<b>\$ 125,060</b>
<b>Liabilities</b>				
Accounts Payable	\$ 5,419	\$ 6,423	5,423	\$ 6,419
Due to Other Governments	-	1,969,633	1,969,633	-
Due to Other Funds	35	160	140	55
Property Held in Trust	172,829	23,491,762	23,546,005	118,586
Securities Lending Liability	-	924,371	924,371	-
<b>Total Liabilities</b>	<b>\$ 178,283</b>	<b>\$ 26,392,349</b>	<b>\$ 26,445,572</b>	<b>\$ 125,060</b>
<b>Performance Deposits:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 6,137	\$ 57,305	\$ 58,130	\$ 5,312
Receivables (Net)	-	57	-	57
Interfund Loans Receivable	400	430	400	430
Due from Other Funds	28	69	70	27
Advances to Other Funds	30	-	-	30
Other Assets	15,176	1,174	1,054	15,296
<b>Total Assets</b>	<b>\$ 21,771</b>	<b>\$ 59,035</b>	<b>\$ 59,654</b>	<b>\$ 21,152</b>
<b>Liabilities</b>				
Accounts Payable	\$ 123	\$ 18,575	\$ 18,636	\$ 62
Due to Other Funds	903	1,065	945	1,023
Property Held in Trust	18,522	41,312	41,709	18,125
Other Liabilities	2,223	10,502	10,783	1,942
<b>Total Liabilities</b>	<b>\$ 21,771</b>	<b>\$ 71,454</b>	<b>\$ 72,073</b>	<b>\$ 21,152</b>
<b>Central Payroll:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 772	\$ 492,698	\$ 483,172	\$ 10,298
Due from Other Funds	19,277	5	19,282	-
Due from Component Units	5	-	5	-
<b>Total Assets</b>	<b>\$ 20,054</b>	<b>\$ 492,703</b>	<b>\$ 502,459</b>	<b>\$ 10,298</b>
<b>Liabilities</b>				
Accounts Payable	\$ 497	\$ 13,281	\$ 11,866	\$ 1,912
Interfund Loans Payable	11	6	17	-
Due to Other Funds	2,746	1,181	3,305	622
Due to Component Units	559	-	559	-
Property Held in Trust	16,241	474,817	483,294	7,764
<b>Total Liabilities</b>	<b>\$ 20,054</b>	<b>\$ 489,285</b>	<b>\$ 499,041</b>	<b>\$ 10,298</b>

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STATE OF MONTANA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - Continued  
 AGENCY FUNDS  
 For the Fiscal Year Ended June 30, 2001  
 (Expressed in Thousands)

Fund	Balance June 30, 2000	Additions	Deductions	Balance June 30, 2001
<b>Workers Compensation Securities:</b>				
<b>Assets</b>				
Other Assets	\$ 660	\$ -	\$ -	\$ 660
<b>Total Assets</b>	<b>\$ 660</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 660</b>
<b>Liabilities</b>				
Property Held in Trust	\$ 660	\$ -	\$ -	\$ 660
<b>Total Liabilities</b>	<b>\$ 660</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 660</b>
<b>Custodial Accounts:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 1,519	\$ 13,514	\$ 13,625	\$ 1,408
Receivables (Net)	-	3	2	1
Due from Other Funds	6	9	6	9
<b>Total Assets</b>	<b>\$ 1,525</b>	<b>\$ 13,526</b>	<b>\$ 13,633</b>	<b>\$ 1,418</b>
<b>Liabilities</b>				
Accounts Payable	\$ 114	\$ 989	\$ 1,078	\$ 25
Due to Other Funds	45	164	45	164
Property Held in Trust	1,366	13,225	13,362	1,229
<b>Total Liabilities</b>	<b>\$ 1,525</b>	<b>\$ 14,378</b>	<b>\$ 14,485</b>	<b>\$ 1,418</b>
<b>Unissued Warrants:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 16,325	\$ 8	\$ 1,942	\$ 14,391
<b>Total Assets</b>	<b>\$ 16,325</b>	<b>\$ 8</b>	<b>\$ 1,942</b>	<b>\$ 14,391</b>
<b>Liabilities</b>				
Property Held in Trust	\$ 16,325	\$ -	\$ 1,934	\$ 14,391
<b>Total Liabilities</b>	<b>\$ 16,325</b>	<b>\$ -</b>	<b>\$ 1,934</b>	<b>\$ 14,391</b>
<b>Child Support Collections:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 506	\$ 51,409	\$ 51,644	\$ 271
Receivables (Net)	642	72	506	208
Due from Other Funds	53	175	71	157
Due from Component Units	9	9	9	9
<b>Total Assets</b>	<b>\$ 1,210</b>	<b>\$ 51,665</b>	<b>\$ 52,230</b>	<b>\$ 645</b>
<b>Liabilities</b>				
Accounts Payable	\$ 156	\$ 45,522	\$ 45,678	\$ -
Property Held in Trust	1054	1	410	645
<b>Total Liabilities</b>	<b>\$ 1,210</b>	<b>\$ 45,523</b>	<b>\$ 46,088</b>	<b>\$ 645</b>

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - Continued**  
**AGENCY FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

<b>Fund</b>	<b>Balance</b>		<b>Balance</b>	
	<b>June 30, 2000</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2001</b>
<b>Unclaimed Property:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 48	\$ 134	\$ 132	\$ 50
Receivables (Net)	-	16	16	-
Due from Other Funds	1	-	1	-
<b>Total Assets</b>	<b>\$ 49</b>	<b>\$ 150</b>	<b>\$ 149</b>	<b>\$ 50</b>
<b>Liabilities</b>				
Accounts Payable	\$ 2	\$ 138	\$ 136	\$ 4
Property Held in Trust	47	95	96	46
<b>Total Liabilities</b>	<b>\$ 49</b>	<b>\$ 233</b>	<b>\$ 232</b>	<b>\$ 50</b>
<b>Intergovernmental:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 14,553	\$ 356,644	\$ 349,113	\$ 22,084
Receivables (Net)	5	15,923	15,923	5
Due from Other Funds	508	-	508	-
Securities Lending Collateral	1	1	2	-
Other Assets	2,382	288	94	2,576
<b>Total Assets</b>	<b>\$ 17,449</b>	<b>\$ 372,856</b>	<b>\$ 365,640</b>	<b>\$ 24,665</b>
<b>Liabilities</b>				
Accounts Payable	\$ 75	\$ 21,071	\$ 21,070	\$ 76
Due to Other Funds	8	496	504	-
Property Held in Trust	17,365	31,254	24,030	24,589
Securities Lending Liability	1	1	2	-
<b>Total Liabilities</b>	<b>\$ 17,449</b>	<b>\$ 52,822</b>	<b>\$ 45,606</b>	<b>\$ 24,665</b>
<b>Uncleared Collections:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 401	\$ 10,946,633	\$ 10,937,138	\$ 9,896
Receivables (Net)	-	122,820	122,820	-
Interfund Loans Receivable	-	16	-	16
Due from Other Funds	35	20,642	1,286	19,391
Due from Component Units	-	561	-	561
Due from Other Governments	75	-	75	-
<b>Total Assets</b>	<b>\$ 511</b>	<b>\$ 11,090,672</b>	<b>\$ 11,061,319</b>	<b>\$ 29,864</b>
<b>Liabilities</b>				
Accounts Payable	\$ 24	\$ 1,704	\$ 1,241	\$ 487
Due to Other Governments	-	13,117	13,117	-
Due to Other Funds	73	32,035	19,924	12,184
Due to Component Units	-	530	-	530
Property Held in Trust	266	61,394	44,996	16,664
Other Liabilities	148	364,177	364,326	(1)
<b>Total Liabilities</b>	<b>\$ 511</b>	<b>\$ 472,957</b>	<b>\$ 443,604</b>	<b>\$ 29,864</b>

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STATE OF MONTANA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - Continued  
AGENCY FUNDS  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

Fund	Balance June 30, 2000	Additions	Deductions	Balance June 30, 2001
<b>Debt Collection:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 103	\$ 2,876	\$ 2,655	\$ 324
Receivables (Net)	4	1,699	1,692	11
Due from Other Funds	8	3	9	2
Due from Component Units	1	-	1	-
<b>Total Assets</b>	<b>\$ 116</b>	<b>\$ 4,578</b>	<b>\$ 4,357</b>	<b>\$ 337</b>
<b>Liabilities</b>				
Accounts Payable	\$ 32	\$ 182	\$ 209	\$ 5
Interfund Loans Payable	-	25	25	-
Due to Other Funds	16	225	45	196
Due to Component Units	1	26	1	26
Property Held in Trust	67	1,997	1,954	110
<b>Total Liabilities</b>	<b>\$ 116</b>	<b>\$ 2,455</b>	<b>\$ 2,234</b>	<b>\$ 337</b>
<b>Stock Estray Fund:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 207	\$ 1,654	\$ 1,861	\$ -
Receivables (Net)	6	-	6	-
Other Assets	55	-	55	-
<b>Total Assets</b>	<b>\$ 268</b>	<b>\$ 1,654</b>	<b>\$ 1,922</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts Payable	\$ 201	\$ 1,086	\$ 1,287	\$ -
Interfund Loans Payable	6	-	6	-
Property Held in Trust	61	1,654	1,715	-
<b>Total Liabilities</b>	<b>\$ 268</b>	<b>\$ 2,740</b>	<b>\$ 3,008</b>	<b>\$ -</b>
<b>Land Grant Interest:</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 30	\$ 14	\$ 44	\$ -
<b>Total Assets</b>	<b>\$ 30</b>	<b>\$ 14</b>	<b>\$ 44</b>	<b>\$ -</b>
<b>Liabilities</b>				
Due to Other Funds	\$ 8	\$ 22	\$ 30	\$ -
Due to Component Units	22	-	22	-
<b>Total Liabilities</b>	<b>\$ 30</b>	<b>\$ 22</b>	<b>\$ 52</b>	<b>\$ -</b>
<b>Hard Rock Mining Impact</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ -	\$ 11	\$ 11	\$ -
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 11</b>	<b>\$ 11</b>	<b>\$ -</b>
<b>Liabilities</b>				
Property Held in Trust	\$ -	\$ 11	\$ 11	\$ -
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 11</b>	<b>\$ 11</b>	<b>\$ -</b>

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**STATE OF MONTANA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - Continued**  
**AGENCY FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

Fund	Balance June 30, 2000	Additions	Deductions	Balance June 30, 2001
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Cash/Cash Equivalents	\$ 128,579	\$ 37,398,445	\$ 37,425,761	\$ 101,263
Receivables (Net)	90,962	566,863	569,712	88,113
Interfund Loans Receivable	400	446	400	446
Due from Other Funds	19,916	20,903	21,233	19,586
Due from Component Units	15	570	15	570
Due from Other Governments	75	-	75	-
Advances to Other Funds	30	-	-	30
Equity in Pooled Investments	-	13,179,650	13,179,650	-
Investments	-	31,065,120	31,065,120	-
Securities Lending Collateral	1	924,372	924,373	-
Other Assets	18,273	1,462	1,203	18,532
<b>Total Assets</b>	<b>\$ 258,251</b>	<b>\$ 83,157,831</b>	<b>\$ 83,187,542</b>	<b>\$ 228,540</b>
<b>Liabilities</b>				
Accounts Payable	\$ 6,643	\$ 108,971	\$ 106,624	\$ 8,990
Interfund Loans Payable	17	31	48	-
Due to Other Governments	-	1,982,750	1,982,750	-
Due to Other Funds	3,834	35,348	24,938	14,244
Due to Component Units	582	556	582	556
Property Held in Trust	244,803	24,117,522	24,159,516	202,809
Securities Lending Liability	1	924,372	924,373	-
Other Liabilities	2,371	374,679	375,109	1,941
<b>Total Liabilities</b>	<b>\$ 258,251</b>	<b>\$ 27,544,229</b>	<b>\$ 27,573,940</b>	<b>\$ 228,540</b>

# GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is maintained to account for fixed assets acquired or constructed for use in operations which are accounted for in governmental funds. These include all fixed assets except those of the Enterprise, Internal Service, Nonexpendable Trust, Pension Trust and Higher Education Funds.

**STATE OF MONTANA**  
**SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE**  
 June 30, 2001  
 (Expressed in Thousands)

**General Fixed Assets:**

Land	\$	71,257
Buildings/Other Improvements		425,163
Equipment		64,820
Other Fixed Assets		65,501
Construction in Progress		28,571
Total General Fixed Assets	\$	<u>655,312</u>

**Investments in General Fixed Assets from:**

General Fund Fixed Assets	\$	369,327
State Special Revenue Fund Fixed Assets		164,437
Federal Special Revenue Fund Fixed Assets		78,710
Capital Projects Fund Fixed Assets		4,993
Expendable Trust Fund Fixed Assets		487
Donated Fixed Assets		37,358
Total Investments in General Fixed Assets	\$	<u>655,312</u>

**STATE OF MONTANA**  
**SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY**  
June 30, 2001  
(Expressed in Thousands)

<b>Function and Activity</b>	<b>Land</b>	<b>Buildings and Improvements</b>	<b>Equipment</b>	<b>Other Fixed Assets</b>	<b>Total</b>
General Government					
Legislative	\$ -	\$ -	\$ 534	\$ 5	\$ 539
Executive	2,535	46,733	2,345	45	51,658
Judicial	-	-	155	873	1,028
<b>Total General Government</b>	<b>2,535</b>	<b>46,733</b>	<b>3,034</b>	<b>923</b>	<b>53,225</b>
Public Safety/Corrections					
Law Enforcement	383	29,932	10,372	-	40,687
Corrections	2,404	79,194	4,567	-	86,165
Professional/Business Regulation	-	335	1,706	-	2,041
Safety	-	-	91	-	91
<b>Total Public Safety/Corrections</b>	<b>2,787</b>	<b>109,461</b>	<b>16,736</b>	<b>-</b>	<b>128,984</b>
Transportation	6,208	42,703	11,585	-	60,496
Health/Social Services					
Health/Environment	138	92	3,800	-	4,030
Social Services/Welfare/Mental Health	2,248	62,905	10,448	34	75,635
Veterans Affairs	33	288	43	-	364
<b>Total Health/Social Services</b>	<b>2,419</b>	<b>63,285</b>	<b>14,291</b>	<b>34</b>	<b>80,029</b>
Educational/Cultural					
Educational	1,193	124,287	3,206	1,812	130,498
Cultural	186	4,138	190	62,723	67,237
<b>Total Educational/Cultural</b>	<b>1,379</b>	<b>128,425</b>	<b>3,396</b>	<b>64,535</b>	<b>197,735</b>
Resource Development/Recreation					
Health/Environment	9	-	37	-	46
Resource Development	-	-	5,864	-	5,864
Recreation	55,274	27,762	5,371	9	88,416
Agricultural	-	60	1,721	-	1,781
<b>Total Resource Development/Recreation</b>	<b>55,283</b>	<b>27,822</b>	<b>12,993</b>	<b>9</b>	<b>96,107</b>
Economic Development/Assistance	646	6,734	2,785	-	10,165
<b>Total Fixed Assets Allocated to Functions</b>	<b>\$ 71,257</b>	<b>\$ 425,163</b>	<b>\$ 64,820</b>	<b>\$ 65,501</b>	<b>626,741</b>
Construction in Progress					28,571
<b>Total General Fixed Assets</b>					<b>\$ 655,312</b>

**STATE OF MONTANA**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY**  
For the Fiscal Year Ended June 30, 2001  
(Expressed in Thousands)

<b>Function and Activity</b>	<b>General Fixed Assets July 1, 2000</b>	<b>Additions</b>	<b>Deletions</b>	<b>General Fixed Assets June 30, 2001</b>
General Government				
Legislative	\$ 656	\$ 113	\$ 230	\$ 539
Executive	51,526	883	751	51,658
Judicial	946	91	9	1,028
<b>Total General Government</b>	<b>53,128</b>	<b>1,087</b>	<b>990</b>	<b>53,225</b>
Public Safety/Corrections				
Law Enforcement	32,208	11,623	3,144	40,687
Corrections	70,286	17,780	1,901	86,165
Professional/Business Regulation	1,726	469	154	2,041
Safety	91	-	-	91
<b>Total Public Safety/Corrections</b>	<b>104,311</b>	<b>29,872</b>	<b>5,199</b>	<b>128,984</b>
Transportation	58,903	1,948	355	60,496
Health/Social Services				
Health/Environment	4,094	413	477	4,030
Social Services/Welfare/Mental Health	62,964	20,457	7,786	75,635
Veterans Affairs	364	-	-	364
<b>Total Health/Social Services</b>	<b>67,422</b>	<b>20,870</b>	<b>8,263</b>	<b>80,029</b>
Educational/Cultural				
Educational	129,832	1,514	848	130,498
Cultural	67,023	605	391	67,237
<b>Total Educational/Cultural</b>	<b>196,855</b>	<b>2,119</b>	<b>1,239</b>	<b>197,735</b>
Resource Development/Recreation				
Health/Environment	46	-	-	46
Resource Development	5,634	245	15	5,864
Recreation	84,564	4,605	753	88,416
Agricultural	1,751	415	385	1,781
<b>Total Resource Development/Recreation</b>	<b>91,995</b>	<b>5,265</b>	<b>1,153</b>	<b>96,107</b>
Economic Development/Assistance	9,579	1,734	1,148	10,165
Construction in Progress	67,516	3,885	42,830	28,571
<b>Total General Fixed Assets</b>	<b>\$ 649,709</b>	<b>\$ 66,780</b>	<b>\$ 61,177</b>	<b>\$ 655,312</b>